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(August 3-19, 1985)

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OF THE

SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

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(99th Congress)

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ERRATA

Page 48, line 2:
The correct year is 1964, not 1864.

Page 48, line 12:
When this Committee visited Peru in 1983, 55,000 tons of coca production....

Page 98. line 13:
to 551 kilograms

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INTRODUCTION

From August 3 to 19, 1985, the Select Committee on Narcotics Abuse and Control in furtherance of its responsibility to conduct a comprehensive and continuing oversight of the traffic and abuse of narcotic and psychotropic drugs affecting the United States, carried out a study mission to Colombia, Ecuador, Peru, Bolivia, Brazil, Argentina, and Uruguay. This part of the world is extremely important to any solution of the drug problem in the United States because all of the cocaine and 70 percent of the marijuana reaching our streets comes from there.

FOREWORD

The following is a report on the Select Committee on Narcotics Abuse and Control's study mission to Colombia, Ecuador, Peru, Bolivia, Brazil, Argentina and Uruguay from August 3 through August 19, 1985. The delegation consisted of five members of the Select Committee, one member of the Permanent Select Committee on Intelligence and one member of the Committee on Energy and Commerce.

Members of the Select Committee on Narcotics Abuse and Control who participated in the mission were: Chairman Charles B. Rangel of New York, Ranking Minority Member Benjamin A. Gilman of New York and Representatives Frank J. Guarini of New Jersey, Edolphus "Ed" Towns of New York and Lawrence Coughlin of Pennsylvania. Norman Lent of New York participated as a member of the Committee on Energy and Commerce and Andy Ireland of Florida as a member of the Permanent Select Committee on Intelligence. Accompanying the Committee were John T. Cusack, Chief of Staff, Elliott A. Brown, Minority Staff Director, George R. Gilbert, Counsel, all of the Select Committee; James P. Rowan and Mary-Alyce Jones of the Office of Speaker Thomas P. O'Neill; George A. Dalley and Vivien E. Jones of Representative Rangel's staff. Also accompanying the Committee were representatives of several agencies of the executive branch, James J. Gormley, office of the Assistant Secretary of State for International Narcotic Matters; James M. Kenaston of the Drug Enforcement Administration (DEA); and Ann A. Stout, Director, House Liaison, Defense Security Assistance Agency, Department of Defense.

Executive Summary of the Report of the Select Committee on Narcotics Abuse and Control, Study Mission to Colombia, Ecuador, Peru, Bolivia, Brazil, Argentina, and Uruguay, August 3–19, 1985

The Select Committee on Narcotics Abuse and Control completed a two-week study mission to South America from August 3–19, 1985, to inspect drug production, trafficking problems, drug abuse and efforts by the State Department and the Drug Enforcement Administration to assist governments in the region to bring the problem under control.

This part of the world continues to be extremely important to any solution to the drug epidemic in the United States because it is the source of all of the cocaine and coca paste and 70 percent of the marijuana entering the United States.

It is estimated that at a minimum 85 tons of cocaine entered the United States in 1984 and about 125 tons will enter in 1985 compared with 25 tons in 1980.

According to the Drug Enforcement Administration, 4.4 metric tons of cocaine were seized nationally in 1982; 7.3 tons in 1983; and 11.7 tons in 1984. During the first six months of 1985 in south Florida alone over 13 tons of cocaine were seized, more than in the entire country in 1984.

The Committee group visited seven countries: Colombia, Ecuador, Peru, Bolivia, Brazil, Argentina and Uruguay and met with the heads of state of six of those nations in addition to meeting with the concerned cabinet ministers, parliamentary and law enforcement leaders of each government.

Members of the Select Committee on Narcotics Abuse and Control who participated in the mission were: Chairman Charles B. Rangel of New York; Ranking Minority Member, Benjamin A. Gilman of New York; Frank J. Guarini of New Jersey; Edolphus "Ed" Towns of New York; and Lawrence Coughlin of Pennsylvania. Norman Lent of New York participated as a member of the Committee on Energy and Commerce and Andy Ireland of Florida, as a member of the Committee on Intelligence.

Committee working parties participated in helicopter on-site inspections of marijuana cultivation in Colombia and coca production and eradication in Peru. They landed to inspect a site in Colombia where marijuana had been successfully eradicated by aerial herbicide spray and witnessed the aerial spraying by helicopters of a marijuana field nearby. A similar on-site inspection was made by a working party of a coca eradiction and crop substitution project at Tingo Maria, Peru.

The Committee had visited three of those countries, Colombia, Peru and Bolivia, during August 1983. On this visit they found in those countries a substantial increase in the illicit production and traffic of coca and cocaine affecting the United States and much of

the world. On the positive side, they found a dramatic change in attitude from 1983 in that their governments now recognize the extent and depth of the illicit production and traffic of drugs in their countries. They realize that the narcotic boom is corrupting their institutions and society and that drug abuse has become epidemic particularly among their young people. Also on the positive side they found Colombia making a good start at effectively eradicating the huge cultivation of marijuana on the North Coast through aerial spray with herbicides.

In Ecuador, Brazil and Argentina, they learned that the enormous narcotic production and trafficking infrastructures in Colombia, Peru and Bolivia were expanding into these neighboring countries. Long dormant wild growth of coca in the Amazon jungles of Brazil is now being cultivated at the instigation of Colombian traffickers in connivance with Brazilian counterparts.

The same phenomenon has developed in Ecuador on the border with Colombia. The latter country has cooperated with Ecuador in recent campaigns to manually eradicate this cultivation. Brazil has organized and implemented three aggressive coca eradication campaigns in the Amazon basin during the past year and has also destroyed a number of coca paste conversion facilities. Peru and Colombia have commenced joint raids against illicit coca and cocaine processing on their borders at the headwaters of the Amazon near Leticia.

Brazil and Argentina are the sources for much of the industrial chemicals used to produce coca paste and cocaine in Peru and Bolivia. While it is difficult to control those widely used industrial chemicals, both Brazil and Argentina recognize the need to increase and intensify their efforts to track the movement of those substances as a means to seize illicit cocaine laboratories. Banks in Brazil are also being used by trafficking organizations in neighboring countries to launder money.

Ecuador recognizes that coca paste from Peru and some produced from the limited coca production in Ecuador is illicitly converted to cocaine in the country. Ecuador also reports that its territory is being used as a transit route for cocaine from Peru and Colombia being smuggled by air and sea to the United States and worldwide.

Argentina reported cocaine laboratories in the northeast section of the country near Bolivia converting coca paste smuggled from that country. Argentina also reports that Buenos Aires is being used as a transit base to smuggle cocaine of Bolivian, Peruvian and Argentine manufacture internationally. Brazil reports that its territory is being used as a transit base for smuggling cocaine of Peruvian, Bolivian and Colombian origin worldwide.

The Committee found that the enormous production and traffic of coca and cocaine in Peru, Bolivia and Colombia and efforts by traffickers to smuggle cocaine internationally, has led the narcotic traffickers in those countries to establish alliance and networks with criminals in Ecuador, Brazil and Argentina to further and expand their operations. This is already leading to new illicit manufacturing and trafficking activity in the latter three countries as well as a dramatic increase in coca production in Brazil and Ecuador.

Ecuador, Brazil and Argentina recognize the precarious situation in which they find themselves and the need to prepare and implement plans that will prevent their nations from being overwhelmed by the enormous and expanding production and traffic of coca and cocaine adjacent to their borders in Peru, Bolivia and Colombia.

Uruguay, particularly Montevideo, which fifteen years ago like Buenos Aires served as a transit base for the smuggling of heroin of French origin to the United States, appears to now be starting up as a transit base for the smuggling of cocaine that either originates in Peru, Bolivia or Colombia or is produced in clandestine laboratories in Brazil and Argentina from coca paste coming from the coca-producing nations. There is also a concern that clandestine cocaine laboratories might be established in Uruguay if they do not already exist. One incident of money laundering believed to be related to drug trafficking has also been reported. Uruguay recognizes the current threat the illicit production and traffic of coca and cocaine poses to its territory and people and its newly established democratic government. It is moving with the assistance of the DEA to expand and revitalize its customs and police drug enforcement programs and to obtain training.

While the problem of the production and traffic of coca and cocaine has dramatically deteriorated in the region, since the Committee's 1983 visit, if found the countries are now recognizing the problem and have begun to cooperate with each other to bring about a solution, particularly in illicit traffic suppression.

Most impressive are the plans that have been developed and are being implemented by Ecuador, Brazil and Argentina to prevent their countries from being used as illicit drug production and trafficking centers. They are also developing and implementing drug abuse education information and prevention programs to protect their populations. Uruguay shows a similar determination and is moving to organize. The governments of Peru and Bolivia, notwithstanding their failure to date to prevent a constantly increasing illicit production of coca and cocaine in their territory, with new presidents and administrations, have now committed themselves to developing plans that will provide for limiting the production of coca to legal requirements and for the eradication of the enormous and constantly increasing illicit coca cultivation in their countries. They have also pledged to intensify efforts against the illicit manufacture and traffic of coca paste and cocaine carried out in their territory. The President of Bolivia has promised to make every effort to eradicate the 4,000 hectares (10,000 acres) of coca that is required to be eradicated by December 31, 1985, for Bolivia to remain eligible for U.S. economic support funds and military assistance. It is estimated that at least 100,000 hectares exist in the country. To date, not a single coca bush has been eradicated, notwithstanding a 1983 agreement to commence eradication. Meanwhile the planting of new cultivation continues.

In Peru, it is estimated that 100,000 to 150,000 hectares of coca are being produced compared with an estimated 55,000 in 1983. Since April 1983, about 4,000 hectares have been eradicated to date.

In Colombia, coca production is estimated at 25,000 hectares compared to 15,000 in 1983. Manual coca eradication efforts have not been effective and the Government with the assistance of the State Department is seeking a herbicide that will eradicate the coca bush through spraying. The Committee believes this must be accomplished as soon as possible if any progress is to be made in curtailing the illicit production of coca in Colombia which continues to expand.

Colombia has been effective in seizing many large cocaine laboratories and record-breaking quantities of cocaine and arresting a great number of traffickers. The laboratories, the cocaine, coca paste and chemicals used to make cocaine and coca paste are destroyed, taking as much as 25 tons of cocaine out of the traffic in 1984. However, most defendants arrested are never prosecuted and those that are, are usually not convicted and sentencing judges are threatened with death or corrupted.

Minister of Justice Lara Bonilla was assassinated in April 1984. One of the assailants was killed in the attack, the other was captured and charged with the murder. Several months later, he was released on provisional liberty. In July 1985, the Instructional Judge investigating the murder was assassinated.

The organized narcotics production and trafficking networks in Colombia have through corruption and intimidation neutralized the drug enforcement and criminal justice systems as a deterrent to the illicit manufacture and traffic of coca and cocaine. The same can be said for Peru and Bolivia.

This Committee is more convinced than ever that the only solution to curbing the more than 100 tons of cocaine now entering the United States on an annual basis from Colombia, Peru and Bolivia, is the forthwith development of programs by those countries with the help of the United States and other concerned countries and the United Nations, to progressively eliminate all illicit coca production as rapidly as possible.

Meanwhile, simultaneous programs must be developed with Peru, Bolivia and Colombia for their National Police services to reestablish law and order throughout the growing areas to effectively eliminate coca and cocaine processing facilities and to arrest, prosecute, convict and sentence to long prison terms large numbers of important and major traffickers.

The Committee is greatly concerned that pressed by narcotic production and trafficking networks in Peru, Bolivia and Colombia, illicit production and trafficking of coca and cocaine for their domestic and world markets is beginning in Brazil and Ecuador. Trafficking trends are growing in Argentina, Uruguay and Paraguay. These trends, if allowed to develop in strength, will greatly exacerbate the problems in Peru, Bolivia and Colombia. On the other hand, curtailing the problem in the latter three countries will prevent the drug disasters about to envelop their neighbors.

Ecuador, Brazil, Argentina, and Uruguay have asked for expanded training, technical assistance and equipment support provided by the Department of State's Narcotic Assistance Program and for expanded DEA personnel for increased drug enforcement operational support. The Committee believes every consideration should be given to providing this assistance as soon as possible.

In its report for 1984 the International Narcotics Control Board stated, "Illicit cultivation and production of drugs and trafficking now involves many more countries. These illegal activities continue to be financed and operated by well-organized international criminals. They are so pervasive and generate such vast volumes of capital, that countries' economies are disrupted, legal institutions menaced and the very security of some states is threatened."

The Heads of State, Foreign Ministers, Interior Ministers, Ministers of Justice, Attorney Generals, Directors of National Police and Gendarmeries in each country we visited described the threat or actual disruption and manipulation of their economies by "narco dollars" and the traffickers who generate them, the corruption and intimidation of their police and criminal justice systems, the corruption of their military forces when they have been utilized, and, in the producing countries, the loss of control over large segments of their territory to the well-equipped, well-armed large narcotic trafficking organizations who in Peru and Colombia also collaborate with insurgents to fend off government intervention.

The President of Ecuador and the Minister of Defense of Colombia with eloquence and deep emotion both emphasized that time was running out; that we are losing the drug war; that if we do not move quickly and together as friends and allies, it will be too late and entire countries are going to fall into the hands of drug traffickers or will fall prey to other antidemocratic forces that will move in to take over in the national breakdowns created by the narco traffickers.

The Committee believes that a way must be found to help Peru, Bolivia and Colombia develop, with our assistance and support, plans and to begin implementation of those plans to bring about the progressive elimination of illicit coca while effectively suppressing the illicit manufacture and traffic of coca paste and cocaine and their processing facilities.

Similar ways should be found as soon as possible to help Ecuador, Brazil, Argentina and Uruguay prevent their territories from developing as drug production and trafficking centers through intensified technical assistance and operational support. They are in dire need of U.S. operational training, including the management and direction of narcotic units, how to operate them effectively with neighbors and other countries and narcotic intelligence information collection and utilization. Equipment needed to effectively eradicate coca and marijuana production and to enhance illicit traffic suppression should also be provided.

COLOMBIA

Introduction

The delegation's first stop on its visit to South America was to Colombia. The Committee arrived in Cartagena on Saturday, August 3, and received extensive briefings on the narcotics situation in Colombia from DEA, INM and other U.S. Embassy staff. The Committee was also briefed by Col. Jaime Ramirez Gomez, Commander of the Colombia National Police Special Anti-Narcotics Unit (SANU).

On Sunday, August 4, the delegation went on a field inspection of marijuana eradication efforts in Magdalena Department in the North Coast region, the principal illicit marijuana cultivation area in Colombia.

On Monday, August 5 and Tuesday, August 6, the delegation was in Bogota for meetings with top Colombian officials including President Belisario Betancur. The Committee also held extensive discussions with Minister of Justice, Dr. Enrique Parejo Gonzalez; Dr. Miguel Pinedo Vidal, President of the Colombian House of Representatives, and other congressional leaders; General Victor Alberto Delgado Mallarino, Director General of the National Police; and Minister of Defense, General Miguel Vega Uribe.

Overview

The Committee's discussions and site visits reveal a change in Colombian attitudes and activities toward narcotics control since our last visit in 1983. At that time the Committee found that the Government of Colombia had failed to take the necessary steps to eradicate illicit marijuana and coca cultivation in its territory. As a result, from 1973 to 1983, a small marijuana cultivation in the Guajira region for domestic consumption was allowed to grow to enormous proportions for international trafficking. Beginning about 1981, an entirely new production of coca began in the Llanos and southern departments of the country. This production, all illegal, escalated rapidly to about 15,000 tons annually by 1983. The Committee perceived that the Government of Colombia lacked the commitment to attack these problems, viewing the enormous illicit narcotics traffic as a problem created by U.S. failure to stem the demand for those substances among its citizens.

Since 1983, there has been a turnabout on the part of the Colombian Government. From the President on down, the commitment to stop the illicit cultivation, processing and transshipment of marijuana and coca is clear. Although some increased efforts were underway by late 1983, the assassination of Minister of Justice Rodrigo Lara Bonilla by narco-traffickers on April 30, 1984, was the catalyst for the Government to expand its narcotics control efforts. This one event forced the Government to acknowledge the serious consequences to Colombia of permitting the narcotics trade to go unchecked within its borders. Today, the Colombian Government views its narcotics control efforts as benefiting not only the United States and other "consuming" nations but also as essential to restoring the political, economic, social, moral and physical well-being of Colombia and its citizens. They also welcome and are actively promoting mutually cooperative efforts with the United States, Colombia's Latin American neighbors and other countries, viewing such efforts as the only hope for eliminating the worldwide scourge of drug trafficking and abuse.

Notwithstanding this visible change in attitude on the part of the Government of Colombia, the power and influence of the organized narcotic traffickers to use terrorism and the threat of terrorism for intimidation to achieve their objective has increased since the Committee's 1983 visit.

We base this conclusion on the threat made in November 1984 against U.S. Embassy personnel that for every Colombian narcotic trafficker extradited to the United States, five Americans would be executed. That was followed by a car bomb explosion in front of the American Embassy at Bogota, killing a Colombian woman and wounding eight people. As a result our Ambassador had to be withdrawn in December 1984 and all dependent children and non essential personnel were evacuated. DEA for security reasons withdrew its special agents assigned to Cali and Medellin. Threats were made against the life of the Administrator of DEA, its headquarters building and agents in the United States over the issue of extraditing Colombian narcotic traffickers to the United States for prosecution.

President Betancur told the Committee for security reasons his family had to live outside Colombia.

Colombian officials also told the Committee that insurgent groups operating in Colombia against the government are linked to narcotics production and traffic. Such links have also been reported by the State Department. In particular, the FARC (Revolutionary Armed Forces of Colombia) is said to collect "protection" payments from coca growers and traffickers in the Llanos region of Colombia, thus deriving the financial means to buy arms and other supplies. The Minister of Defense told the Committee that narcotics enforcement units frequently meet armed resistance when conducting drug raids in areas where insurgents are active. The Government of Colombia appears to recognize fully the danger of destabilization from narcotics-supported political insurgents and terrorist movements.

A start has been made in recognizing and confronting the production and traffic of narcotics during the past two years. The Committee commends the Government of Colombia for this and for its courage in the fight against powerful narco-traffickers. By recognizing the worldwide nature of the illicit narcotics problem and moving to attack the narcotics threat, Colombia stands as an example to other nations throughout the world to fight against the drug traffic or risk the loss of their nation to the narcotic traffickers.

Marijuana

Through 1983, the extensive illicit marijuana cultivation in Colombia far surpassed the manual eradication capabilities of the National Police. Despite U.S. urgings, Colombia also resisted adopting of a program to eradicate marijuana by aerial spraying of herbicides.

In December 1983, however, the Colombian Government approved limited testing of herbicides on marijuana, and this testing began in April 1984. Following the assassination of Justice Minister Lara Bonilla, the Government decided to start a herbicide spraying campaign to eradicate illicit marijuana in the North Coast region. By the end of 1984, 3,400 hectares were eradicated out of a total estimated production of 10,000–13,000 hectares. However, the Select Committee has received credible estimates on marijuana cultivation in Colombia as high as 44,000 hectares. Through early August of 1985, about 2,500 hectares had been sprayed with glyphosate.

The spraying program operates full-time year around. Plans call for 80–100 hectares to be sprayed daily. The National Police have 13 helicopters dedicated to this program, four purchased by the National Police, the remainder obtained with U.S. assistance.

Since April of 1985, two surveys, one visual and one by aerial photographs, have been conducted to try to determine both the extent of production and the impact of the spraying on marijuana cultivation. While results of the photographic survey were not available at the time of the Committee's visit, some Colombian and U.S. officials expected to find reductions in production of 70–80 percent as a result of the aerial spraying.

Although the Committee is skeptical of the optimistic results predicted by some U.S. and Colombian officials and believes that production is far in excess of the estimated 10,000 to 15,000 hectares (estimates have been given at 44,000 hectares), the delegation is impressed and encouraged by the marijuana eradication efforts. On our site visit, we flew over numerous fields that had been sprayed and others targeted for spraying in the near future.

On the other hand, we also saw many areas that had been slashed and burned in preparation for future cultivation. The vastness of the areas under cultivation, combined with their remote location and rugged terrain, pose serious difficulties to the National Police in locating and eradicating illicit marijuana cultivation with the limited resources available to them. Also, there is evidence that illicit cultivation may be shifting inland to avoid the eradication efforts in the North Coast region. Finally, there are simply no accurate estimates of the total amount of illicit cultivation. Without such a data base, the results of the eradication program cannot be properly assessed.

A shift in marijuana production from the Santa Marta area to a growing zone along the Venezuelan border east of Valledupar known as the Serrania Perija was underway two years ago. The Committee delegation visited this sector in 1983 and was astonished at the enormity of the marijuana cultivation it has witnessed and the estimate given that in this sector alone about 15,000 hectares were under cultivation. This was because there was only reported to be 17,000 hectares of marijuana under cultivation in all of Colombia. The Committee delegation concluded in 1983 that taking into consideration the production in La Guajira, Magdalena, the Turbo area along the Gulf of Uraba and the production on the Pacific coast, overall marijuana production in Colombia surely must be 3 to 4 times greater than the estimated 17,000 hectares in 1983.

The Committee delegation was informed that as of August 4, 1985, very little eradication had taken place in the Serrania Perija during 1985; further that growers were resisting and there had been some firing on the helicopters. The delegation was told a concentrated effort against that sector was scheduled to begin about August 19.

The Committee commends the Government of Colombia on its marijuana eradication program and urges Colombia to continue its campaign. The Government's decision to undertake this program is a significant and encouraging development. In support of the Colombian effort, the Committee recommends that the Government of

Colombia and the U.S. State Department jointly assess the resources, equipment and aircraft Colombia needs to expand its efforts and to determine the full extent of illicit marijuana cultivation in Colombia and the impact of aerial eradication on reducing production. Upon the basis of this assessment, the Committee urges the United States Government to support the needs that have been identified, particularly in the way of providing a significant increase in helicopters for aerial spray eradication.

Cocaine

The Committee was told that stopping the illicit production and processing of cocaine is Colombia's top drug priority because of the growing abuse of bazuco, or coca paste, among Colombian youth. Although marijuana use is widespread among Colombian youth, of more concern is the government's estimate that 600,000 youth between 12 and 18 regularly smoke bazuco, exclusive of older individuals who are also using it. The impurities in this substance make it very harmful to abusers. In addition to its immediate toxic effect, it causes permanent brain and other organic damage to users.

The cocaine problem in Colombia is twofold: (1) the rapid escalation of coca cultivation in Colombia within the past few years, now estimated at 25,000 hectares annually, and (2) the smuggling of coca paste and base from Bolivia and Peru into Colombia for processing into cocaine hydrochloride and shipment to the United States, Canada and other industrial democracies.

From virtually no indigenous coca production a few years ago, Colombia now has an estimated minimum of 20,000–25,000 hectares of coca under cultivation. All of this cultivation is illegal. While this amount is relatively small compared to cultivation in Peru and Bolivia, it overwhelms the resources of the National Police, and if unchecked could soon outstrip Peru and Bolivia. This cultivation occurs primarily in the Llanos, or Eastern Plains region, of Colombia.

Manual eradication of coca is not practical in Colombia. It is too costly, labor-intensive, and time consuming, and exposes the personnel involved to unacceptable risks of retaliation by traffickers. What is needed is an effective herbicide that can be applied by aerial spraying as is done with marijuana.

There are existing herbicides which can eradicate the coca leaf from the bush. However, what is being sought is a herbicide that will not only destroy the leaf as it grows, but also the bush itself.

The Committee was told that Colombia, with U.S. support, is currently testing a number of such herbicides to use in an aerial spraying program against coca cultivation. Both U.S. and Colombian officials expressed optimism that an environmentally safe and effective herbicide would be available by November 1985. Field tests conducted so far indicate that a chemical product, marketed as Garlon in the United States, is a promising agent. As soon as an effective and environmentally safe herbicide against coca is available, the Government states it will initiate a comprehensive aerial eradication program of coca in the Llanos.

At present, Colombia is the only South American country participating in research to develop a safe and effective herbicide for aerial eradication of coca. Colombian officials told the Committee

they will share the results of their research with Peru, Bolivia and Ecuador and other countries where coca cultivation occurs. The Committee commends Colombia for its role in developing an effective coca eradication agent and expresses the strong hope that these efforts will be successful. If and when an effective herbicide is developed, the Committee urges the State Department and the Congress to review favorably requests from Colombia for equipment and other assistance to implement a comprehensive coca spraying program, particularly aircraft and helicopters as necessary.

Even if Colombia develops the means to eradicate its illicit coca cultivation, Colombia will continue to face a serious cocaine problem as long as illicit coca production continues unabated in Bolivia and Peru. It is estimated that eighty (80) percent of the cocaine leaving Colombia is processed from coca paste smuggled into Colombia from Bolivia and Peru. The National Police estimates that 90 percent of the paste coming into Colombia arrives by air.

To attack this aspect of the cocaine traffic in Colombia, the Government has developed a multifaceted approach. The National Police, with Armed Forces support, has embarked on a vigorous campaign to detect and destroy clandestine airstrips and processing labs. To date, 76 airstrips in the southern part of the Llanos have been destroyed. In the largest cocaine arrest and seizure operation, known as Tranquilandia, the Colombian National Police, on March 10, 1984, raided an elaborate complex of eight cocaine laboratories in the southeast jungle of Colombia, seizing 10 tons of cocaine base and hydrochloride.

The Government has also implemented controls on the importation of precursor chemicals such as ether and acetone. These controls have forced the price of ether to increase almost fourfold. There is also evidence that precursors are being routed through points in other South American countries, and that processing laboratories are being moved across the Colombian borders into Peru, Bolivia and Brazil to avoid the increased enforcement in Colombia.

Colombia is also trying to establish better control over its airspace in both the northern and southern parts of its territory to prevent and interdict illicit drug traffic by air. These efforts are hampered, however, by a serious shortage of appropriate aircraft and by the sheer size and remote nature of the areas to be controlled. The Committee believes that the State Department's narcotic control assistance program has not been sufficiently responsive to supporting the aircraft and helicopter needs of the Colombian National Police in its efforts to detect and destroy clandestine airstrips utilized for drug smuggling.

Colombia is also developing increased regional enforcement efforts with its Latin American neighbors through the exchange of drug intelligence and information and cooperation in joint enforcement operations. For example, in a recent (July 1985) joint enforcement effort, Colombian and Ecuadoran National Police forces patrolled an area along the Putumayo River which forms the border, destroying coca fields and processing facilities. A regional telecommunication network to improve narcotics cooperation is also being established with DEA support, linking Colombia, Ecuador, Peru, Bolivia, Brazil and Venezuela.

On August 13, 1985, the Colombian National Police provided investigative and logistical support as well as 3 helicopters operating out of Leticia, Colombia, to enable the Peruvian Guardia Civil Police to raid a large cocaine laboratory complex known as the Caballacocho in the Peruvian Amazon jungle near Leticia, resulting in a seizure of 1,500 kilos of coca paste. The facility could produce as much as 1,800 kilos of cocaine per month.

The Committee applauds these efforts. We recognize, however, that substantially increased resources are needed to halt the illicit traffic of coca paste from outside Colombia's borders, the refining of that paste into cocaine, and the forward movement of cocaine to other countries. The Minister of Defense, General Vega, suggested the United States could support Colombia's efforts in this regard greatly by making available, through lease or transfer, U.S. military aircraft and helicopters as they are replaced with newer equipment. The Committee recommends that the Departments of Defense and State consider the possibility of such arrangements.

The Committee recognizes that Colombia's role as the major processor and exporter of cocaine will continue until stronger enforcement and eradication efforts against illicit coca production and trafficking are taken by Peru and Bolivia. In the International Security and Development Assistance Act of 1985, Congress has restricted foreign aid to these countries unless they make specific progress in their coca control efforts. The Committee was instrumental in developing these sanctions and will closely monitor Bolivian and Peruvian compliance. The Committee also urges the Executive Branch to use every other means at its disposal to encourage a greater commitment to coca control efforts by those two countries.

Finally, the Committee supports and encourages the expansion of current limited efforts to increase cooperation on narcotics control among Andean producing countries and urges the adoption of a regional cooperative approach to these problems.

Opium and heroin

The Select Committee has been informed that the Colombian National Police has reported to the Secretary General of ICPO-Interpol that over 15,000 poppy plants were seized in an area northeast of Bogota. Also seized were 35 gallons of opium gum which would be the equivalent of about 34 kilos of opium. The Colombian authorities reported that traffickers in the country assisted by foreign chemists are testing what they call a new variety of opium poppy and attempting to produce morphine and heroin. Poppy cultivation has also been found in Mencione, the Departments of Boyaca, Tolima and the area surrounding the capital of Bogota.

The Secretary General of Interpol reports that this is the first official report of opium production in Colombia. The Select Committee began receiving reports of opium production for the purpose of producing heroin in Colombia about 6 months ago. This concerned the Committee greatly because it has been aware that high grade opium can be produced throughout much of Colombia. Given the high caliber technology available to clandestinely manufacture cocaine, one could easily transfer this skill to transforming opium to heroin. The Committee also is aware of the fact that an effort was

made by a group in Colombia during the period 1956–57 to produce opium on a large plantation and convert it to heroin in a laboratory on the plantation.

This scheme was uncovered early on by the Federal Bureau of Narcotics (now the Drug Enforcement Administration) and a senior agent was dispatched to Colombia to help the authorities suppress this activity. The poppy cultivation and the laboratory were located on a plantation near Bogota and seized.

DEA, the State Department's Narcotics Assistance Unit in Colombia, and their Colombian counterparts should continue to monitor closely the illicit cultivation of opium poppy and its conversion into heroin to prevent these extremely dangerous activities from becoming firmly established in Colombia. The development of widespread opium production in Colombia could increase greatly the supply of heroin in the United States.

Judicial handling of narcotics cases

An area of great concern to the Committee on its 1983 visit to Colombia was the inability of the Colombian judiciary to prosecute narcotics cases effectively. The judicial system provided little deterrent to narcotics traffickers because, as a general rule, traffickers were not arrested, or if arrested, not convicted. They did not face the prospects of imprisonment, and thus operated with virtual impunity.

Unfortunately, the judiciary remains the weakest link in the Colombian Government's anti-narcotics efforts. Many major traffickers are not prosecuted. First, the judicial system is extremely slow. There are simply not enough judges to handle the number of defendants brought into the courts, so inevitably backlogs result.

Second, Colombian judges are influenced, through intimidation, corruption or political pressure, by wealthy and powerful drug traffickers, which makes convictions difficult to obtain. For example, in the past five years, 30 judges have been assassinated, an average of one every two months. About a week before the Committee's visit, the judge handling the investigation of the Lara Bonilla assassination was himself assassinated.

Third, many defendants are released because the investigating authorities, including the judicial police units and the instructional judges, fail to collect the proper evidence.

Fourth, investigative resources are not targeted toward building cases against major traffickers.

The Minister of Justice, Dr. Parejo, told the Committee that he did not see any immediate solutions to these problems, but that some steps are being taken to improve the system. Under the State of Siege declared after the 1984 assassination of Justice Minister Lara Bonilla, jurisdiction in all narcotics cases was transferred to the military tribunals. This decision was made in recognition of the ability of narco-traffickers to influence the civil courts. Although the 50 percent conviction rate in the military courts is far from adequate, it is a significant improvement over the civil courts in which the conviction rate in all criminal cases is less than 10 percent.

Legislation is also pending in the Colombian Congress to provide heavier penalties against narcotics violators. This new statute

would also permit the Government to confiscate the property and other holdings of drug traffickers that are used to further their illegal narcotics activities.

Since the assassination of Lara Bonilla in 1984, the Colombian Government has also taken the politically unpopular step of extraditing Colombian nationals to the United States for prosecution on narcotics charges. At the time of the Committee's visit, six Colombians had been extradited, and two more have been sent to the United States since then. There are many more requests for extradition at various stages of processing by the Government of Colombia. These extraditions have been carried out despite threats of retaliation by narco-traffickers. The U.S. Government has reciprocated by the extradition of one American, John Tamboer, to Colombia on June 21, 1985.

The extradition treaty with Colombia became effective in March 1982. It has been touted as a very important element in Colombian-U.S. antinarcotics efforts that will play a major role in bringing notorious Colombian drug kingpins to justice.

Unfortunately, the treaty has failed to live up to the high expectations for it. A number of top Colombian officials who met with the Committee, including President Betancur, the Minister of Justice and the Minister of Defense, expressed firm support for the extradition treaty and said they viewed extradition of Colombian narcotics violators as an additional weapon in their antinarcotics campaign, recognizing the shortcomings of Colombia's judicial system. Other statements they made to the Committee, however, and events before and after the Committee's visit reflect the Colombian Government's great reluctance to use the treaty.

Implementation of the treaty has been very slow. For two years after it went into effect, Colombia refused to extradite any Colombian nationals to the United States to stand trial on drug charges because of strong public opinion against the treaty in Colombia. The Government of Colombia reversed its position only after assassins, acting at the direction of powerful "narco-trafficantes," gunned down Justice Minister Lara Bonilla in April 1984. In the 18 months since, only eight suspected Colombian drug traffickers have been extradited to the United States.

Virtually every Colombian official who met with the Committee in August, from President Betancur on down, emphasized that domestic public opinion remains strongly against the treaty. Furthermore, in the delegation's discussions with President Betancur, he raised concerns about the extradition treaty's handling of political offenses and said Colombian officials wanted to review these provisions with U.S. authorities. With respect to the narcotics provisions of the extradition treaty, Justice Minister Parejo told the Committee that a number of technical deficiencies in U.S. requests for extradition had caused delays in Colombia's processing of numerous requests. He urged American authorities to be more careful in presenting their extradition requests.

The case of Jorge Ochoa, a Colombian and one of the world's top cocaine smugglers, illustrates the difficulties extadition poses for Colombia. Ochoa was arrested by Spanish authorities about a year ago. The United States requested Spain to extradite Ochoa to stand trial in this country on major drug charges involving the smug-

gling of cocaine to the United States through Nicaragua. After our request was filed, Colombia sought extradition to try Ochoa on a minor charge of falsifying documents to import prize bulls. Spain initially rejected the U.S. petition and agreed to extradite Ochoa to Colombia. It now appears that Ochoa may be tried in Spain on the U.S. drug charges. The United States is appealing the decision and the case is still under review.

Notwithstanding Colombia's intervention in this case, Spain may have refused to extradite Ochoa to the United States anyway. The Spanish Court apparently felt the U.S. charges against Ochoa were "political" in nature and feared he might not get a fair trial in this country. Nonetheless, Colombia's decision to seek extradition on a minor offense compared to the U.S. drug charges indicates how sensitive the Colombians are to having their nationals tried in U.S. courts.

Moreover, Colombia recently refused to extradite five of its citizens wanted on illegal drug trafficking charges in the United States. It was reported that Colombia's supreme court denied extradition in two of these cases and President Betancur blocked the other three. These refusals are a further indication of Colombia's unwillingness to use the treaty.

Given the political unpopularity of extradition in Colombia, it is highly unlikely that extradition will ever become a major antinarcotics tool. Clearly it would be preferable over the long term for the Government of Colombia, with U.S. support, to develop the ability to prosecute major Colombian drug traffickers in Colombian courts.

Two other moves that could improve the judicial treatment of narcotics cases in Colombia, but will take some time to bring about, relate to the judicial structure. First, Colombia is studying the establishment of a commission to try narcotics violation by civil judges if and when this function is removed from the military courts. Second, Justice Minister Parejo said Colombia was working toward establishing a unified judicial system. Currently there are four different judicial police bodies in Colombia who report to the judiciary. This fragmentation leads to inefficient prosecution of cases and is a leading cause for the failure to target major narcotics violators and the failure to collect sufficient evidence to prosecute.

The Committee recommends the following steps with respect to bolstering the judiciary in Colombia.

First, the Committee understands that some discussions have been held between Colombian and U.S. officials to review Colombian concerns, both substantive and technical, about the extradition treaty. The Committee recommends that the U.S. Executive Branch take whatever steps are appropriate to consider the issue of political crimes, which was raised with the Committee, and to resolve the technical problems that are causing delays in Colombia's processing of U.S. extradition requests.

Second, the Committee urges Colombia to take the steps necessary to improve its judicial system so that Colombia can effectively prosecute its own nationals in its own courts. Toward this end, the Committee supports the desire of the Colombian Government to unify judicial police authority in one body. We recommend the cre-

ation of a specialized group of judges (about 30 to 40) to handle only drug investigations. The activities of these judges should be directed and coordinated by a commissioner. These judges, in turn, should direct the activities of a specialized corps of investigators who would work closely and permanently with these judges and who, at the judges' direction, would properly collect the necessary evidence to prosecute identified major traffickers. The exclusive work of this group of anti-narcotic judges and investigators would be to conduct long-term, in depth investigations against the most significant trafficking organizations in Colombia.

To assist the Colombian Government in this endeavor, the Committee recommends that the United States help in training narcotics investigators and instructional judges in effective investigative techniques and proper collection of evidence. The United States can also help by providing evidence to try major Colombian narcotics traffickers in Colombian courts if Colombia can demonstrate the ability to prosecute these traffickers. Failure or refusal of Colombia, or any other source country, to prosecute its own citizens should be viewed as failure to cooperate, resulting in an appropriate U.S. response.

Conclusion

Colombia remains a major producer and exporter of illicit marijuana, but its eradication effort is a good start in reducing this illicit cultivation. Colombia is also still the primary processor and exporter of cocaine. In addition, the rapid development of indigenous coca cultivation is a significant concern. Important steps are underway, however, to try to bring the illicit cultivation and processing of coca under control. The apparent emergence of a significant opium production and clandestine heroin manufacture in Colombia is a new, deeply disturbing trend.

The key difference is that Colombia has now made a start and demonstrated some measure of political will to fight the war against narcotics. Colombia deserves the continued support of the U.S. Government and the international community in its anti-narcotics efforts as long as it continues to maintain its strong commitment to this fight.

Meeting With the President of Colombia

The Committee delegation had a 45 minute meeting with President Betancur. He stated that Colombia's poor peasants, many of whom depend on drug agriculture to live, must be turned away from drug production by crop substitution programs. Unfortunately, Colombia cannot afford this. He suggested it would be a great help if assistance were provided to Colombia to make possible low interest loans to farmers so they could switch to growing substitute crops. The rich middlemen in the drug traffic have been placed under heavy pressure by the police and armed forces and many have fled to neighboring countries, but the poor grower when his crop is eradicated is left with nothing.

While there was not the opportunity to explore with President Betancur his thoughts on the need to help poor illicit narcotic crop producers his observation was surprising. Heretofore because sig-

nificant illicit commercial marijuana production in Colombia began little more than a decade ago and commercial coca production about 1980, those crops were never considered traditional but rather a criminal activity that had to be eradicated. Marijuana and coca in Colombia are not grown on family farms but by organizations who hire growers to work the crops in remote areas. There is no form of crop substitute or subsidy that can compete with what the illicit grower can earn when hired to produce coca or marijuana. If the illicit growers' crop is eradicated as it should be he can return to growing the crops he grew before turning to marijuana and coca in 1972 and 1980 respectively.

President Betancur went on to describe efforts by his government to track the movement of money that may be drug related, to improve narcotic control cooperation with his fellow Latin American Presidents and that discussions on the subject would take place at La Paz when they met the following day at President Paz' Inaugural.

President Betancur also mentioned that a Colombia military attache would be assigned to the Colombian Embassy in The Hague to work with the authorities relative to the drug traffic through the Netherlands.

With reference to the intensified international initiative mentioned by President Betancur, Chairman Rangel urged him to encourage his colleagues "to take a page from your book" to bring about a positive change in attitudes in all the countries as he had brought about in Colombia.

President Betancur said in coming back to the extradition treaty that he had, "told the U.S. authorities and President Reagan that the treaty needed revision. There is a question on the issue of political crimes and the revision would be needed to prevent the extradition to the United States of Colombians for alleged political crimes of a nature that occurred in the United States during the McCarthy era. This issue which has now been raised," President Betancur said, "detracts from the strength of the treaty and the popular support it needs." He thought "a revision of the treaty by the U.S. and Colombia should be considered."

Meeting With Colombian Legislators

Following the meeting with President Betancur the Committee delegation met with Dr. Miguel Pinedo, President of the House of Representatives and other leaders of the chamber.

Chairman Rangel and Ranking Minority Member Gilman praised Colombia's narcotic enforcement efforts. Representative Ariel Infante, Chairman of the Budget Committee suggested that the industrialized countries whom he thought were the major consumers should increase their financial assistance to the war on drugs. Representative Gilman responded that this could best be accomplished by increased international support of the United Nations Fund for Drug Abuse Control. Dr. Pinedo said that he thought the United States seems more active in combatting drug production in Colombia than within its own borders. Chairman Rangel responded by citing the great numbers of important narcotic arrests, seizures and prosecution carried out each year in the

U.S. and in fact on this very day Federal authorities under the Attorney General in concert with State and local authorities were carrying out marijuana eradication raids over all 50 states. Dr. Pinedo reiterated his belief that Colombia needs more aid in its war on drugs and that it should come mostly from the United States. He also said he would seek to create a new Committee in the Chamber of Representatives to oversee narcotic control matters similar to the Select Committee.

Following a luncheon in the Capitol, hosted by Chamber President Pinedo, the Committee delegation had a unique opportunity to briefly observe taking place in the Senate Chamber a meeting of the National Dialogue where representatives of the M-19 and FARC guerrilla organization were present and where guerrillas and a wide spectrum of Colombian civilian leadership were arguing about the cease fire agreements and the status of the National Dialogue.

Meeting With the Minister of Justice

Following their meetings with Colombian legislative leaders, the members of the delegation met for two hours with Justice Minister Enrique Parejo Gongalez.

Minister Parejo opened the meeting by telling the delegation that the Colombian Government was pleased with the Select Committee's presence to initiate these discussions on narcotics control. He said Colombia "is disposed to fight this problem to the end, to eradicate it completely." He said the Government of Colombia was committed to continue the strong antinarcotics efforts of his assassinated predecessor, Minister Lara Bonilla, because Colombia did not wish his sacrifice to be in vain.

Minister Parejo told the delegation that Colombia was a very poor country. He said Colombia had committed considerable resources to the problem of narcotics control, and he emphasized that his country needed a substantial increase in U.S. assistance, including training, equipment, technology and information, to continue its efforts undiminished.

Chairman Rangel said the Committee understood fully the commitment of President Betancur, Minister Parejo and the Colombian Government to fighting narcotics. He complimented the Government for the "high standard of courage" it has set in providing leadership in Colombia and the world in antinarcotics efforts. He said the United States and Colombia were past the point of placing blame for narcotics problems and were on the "right track" of more bilateral cooperation to end illicit narcotics production and traffic. He said the Committee was sensitive to Colombia's need for additional resources and pledged that the United States would meet its obligations to continue providing appropriate assistance to Colombia.

Mr. Gilman similarly praised the efforts of the Colombian Government and said he was pleased the Justice Minister was dedicated to carrying on the tradition of Minister Lara Bonilla. He noted that the United States has supported the Colombian Government's antinarcotics efforts and pointed out that U.S. economic and military assistance to Colombia in 1986 would be about $32 million, a

substantial increase over the $19 million provided in 1985. He said the Committee has been favorably impressed by the Colombian's marijuana eradication efforts in Santa Marta and expressed the hope that aerial spraying would soon be used to eradicate illicit coca cultivation in Colombia.

Members of the delegation expressed concerns that the Colombian criminal justice system did not provide a sufficient deterrent against narcotics traffickers. They questioned the adequacy of penalties under Colombian law and asked whether it was true that intimidation of the judiciary by traffickers made convictions nearly impossible to obtain.

With respect to sentences, Minister Parejo said narcotics offenses were punishable by 6–12 years in prison with no possibility of parole. He said the Colombian Congress was currently considering new legislation to confiscate property used by traffickers in furtherance of their activities. He told the delegation that he did not see the need to increase penalties against drug traffickers. He felt existing laws, if applied to their fullest extent and if the proper sentences were meted out, provided sufficient penalties against drug trafficking.

With regard to the intimidation of judges, the Justice Minister said threats had been made against the judiciary, but he implied the transfer of jurisdiction in narcotics cases from civilian to military courts had ameliorated this problem.

He acknowledged problems in the efficacy of the judicial system generally. He said it would take time to remedy these problems but that efforts were being made in this area. As positive steps, he cited the transfer of venue in drug cases to military courts. He also said the government was moving to establish a commission to try narcotics violators by civil judges if and when the military relinquishes this function. In addition, he said efforts were being made to consolidate Colombia's four judicial police agencies which would help improve narcotics investigations and prosecutions.

The major difficulty Colombia faces, the Justice Minister said, is locating and arresting drug trafficking ringleaders. He called for increased international cooperation to prevent these fugitives from moving freely across international borders.

In response to questions about conviction rates in narcotics cases, Minister Parejo provided some data indicating a very low rate of conviction. He estimated that 50 percent of the drug cases tried by the military courts resulted in convictions and prison sentences, whereas the conviction rate in the civil courts for all other crimes was less than 10 percent.

He claimed, however, that results in Colombian courts could not be compared directly to those in the United States because of important differences between the two judicial systems. For example, he said in Colombia a suspect can be held under preventive detention on a reasonable suspicion of guilt rather than the probable cause required to make an arrest in the United States. In many cases, he said, charges are dropped because subsequent investigations of alleged crimes fail to establish the conclusive evidence needed to convict a suspect under Colombian law.

Notwithstanding his explanation of the apparently low rate of narcotics convictions in Colombia, Minister Parejo acknowledged

that "undoubtedly we need assistance for our judges and investigators" in effective investigation techniques and proper collection of evidence. He welcomed the delegation's suggestion that the United States could provide training and technical assistance to improve the skills of Colombian judges and investigators in these areas.

On the subject of extradition, he said the Colombian Government supported the treaty with the United States and noted that six Colombians had been extradited to the United States to stand trial on drug charges. He said he expected the approval of additional extraditions within the near future. He told the delegation, however, that the treaty did not enjoy popular support in the country. He also cited numerous technical difficulties in U.S. extradition requests that delayed Colombia's ability to act. He urged the delegation to encourage the U.S. Government to exercise more care in presenting requests for extradition.

Finally, Chairman Rangel asked what more the United States could do to assist Colombia in its antinarcotics efforts. Minister Parejo said the U.S. Government could help by undertaking an intensive campaign to reduce demand for illicit drugs in the United States, by increasing interdiction efforts to shut off the channels of the illicit narcotics trade to traffickers, and by enacting strict legislation against money laundering which he understood the Congress was considering. He also asked about Colombia's pending request for radar support to maintain better aerial surveillance of Colombia's north coast. U.S. embassy personnel present at the meeting said this request was being studied by the Departments of State and Defense.

Meeting With the Director General of the National Police

On Tuesday August 6, the delegation met with Major General Victor Alberto Delgado Mallarino, Director General of the National Police. The National Police, organized under the Defense Ministry, have the lead responsibiity for narcotics enforcement, interdiction and eradication in Colombia.

General Delgado described a number of recent actions undertaken against cocaine processing labs in the Llanos region of southern Colombia and also along the north coast. He showed videotapes of some of these enforcement efforts to illustrate the nature of the illicit cocaine operations, the problems the National Police face in mounting enforcement campaigns and their operational strategy.

The basic strategy is to put enforcement pressure on the traffickers by seizing and destroying clandestine airstrips and labs where coca paste is flown in from Peru and Bolivia for processing into finished cocaine and forward movement to the United States. General Delgado said the National Police are also working to improve cooperation with Peru, Ecuador and Brazil to deprive narcotics traffickers of safehavens in those countries along Colombia's southern borders. Colombia also is closely monitoring imports of precursor chemicals to discourage diversion to illicit use.

In describing the results of their strategy, General Delgado said the National Police had destroyed 76 clandestine airstrips in the Amazonas department in the south and were conducting similar operations in the north coast. General Vega, Minister of Defense,

later told the Committee that 35 airstrips had been destroyed in the Guajira. Most of these airfields are rudimentary dirt strips for light planes to land, load, refuel and take off. General Delgado showed tapes of one large concrete airstrip, 1,300–1,500 meters in length, that the National Police had recently destroyed. He did not believe this strip was in operation too long before it was destroyed.

The Committee also was shown tapes of the March 1984 Tranquilandia raid, the largest cocaine bust ever made. Over 10 tons of coca paste and cocaine were seized at this elaborate processing facility in the jungle. The film showed the sophisticated techniques used, such as drying beds with overhead heat lamps powered by generators. General Delgado said he doubted that any other such complex processing labs would be discovered in Colombia because of the increased law enforcement pressure that had been mounted.

General Delgado told the Committee that Colombian controls on imports of precursor chemicals were working effectively. The price of ether has tripled and precursor imports are now being routed to Peru and Bolivia to avoid Colombian controls. The precursor controls combined with other law enforcement pressures appear to be forcing traffickers to move their processing operations into neighboring countries.

The Committee was informed that cocaine and precursor chemicals seized by the National Police in raids against processing sites are routinely destroyed on the spot by burning, under the supervision of the instructional judge responsible for the investigation. This policy is followed to avoid the danger of diversion.

With regard to marijuana, General Delgado said he did not think Colombia was a leading marijuana producer any more. He said Colombia's year-round aerial eradication program was principally responsible for Colombia's success against marijuana. He said the National Police were also using checkpoints and denying use of airstrips to traffickers. These tactics were helping to increase seizures and inhibit the movement of marijuana to and from staging areas. As evidence of their success against the marijuana traffic, he said ten vessels had been spotted leaving the Guajira from September through November 1984 compared to 80 for the same period in 1983. He also said the National Police were seeing a southward shift in the location of marijuana staging areas, away from areas of heaviest enforcement activity.

When asked whether he thought Colombia would be as successful against coca as it has been against marijuana, General Delgado said he thought Colombia's strongest efforts had been against cocaine trafficking. Because Colombian coca is not the best for making cocaine, the critical problem for Colombia is the interdiction of coca paste from Peru and Bolivia.

General Delgado outlined Colombia's mutil-faceted approach to fighting narcotics:

attacking processing sites;
controlling precursor chemicals;
using herbicides to eradicate illicit drug crops;
controlling the airspace along Colombia's northern and southern boundaries;
setting up rigid control points in the cities that are major supply hubs for processing labs in the jungle;

controlling Colombia's southern border with Ecuador;
maintaining liaison with neighboring countries; and
using all channels including DEA and other countries to collect information.

Members raised with General Delgado their concerns about the wide disparity between narcotics arrests and convictions in Colombia and the ineffectiveness of the Colombian judiciary. The general said that many cases were dismissed due to lack of proof but that efforts were being made to improve investigative techniques. He acknowledged the need to "apply a stronger hand" to the problem of narcotics trafficking.

The delegation commended General Delgado for his strong leadership in Colombia's antinarcotics efforts. They praised Colombia for the progress it has made in narcotics control and expressed their gratitude for the sacrifices Colombia has endured in this fight.

General Delgado assured the Committee that the National Police are firmly committed to the war against drugs. He said they are not winning the war now but would continue the struggle. To win the war, he said, would require great amounts of assistance and additional sacrifice.

Meeting With the Minister of Defense

The delegation met next with General Miguel Vega Uribe, the Minister of Defense. This meeting concluded the delegation's talks with Colombian Government officials.

General Vega stressed the commitment of the Colombian Government to the struggle against narcotics. He emphasized that all components of the Ministry of Defense, not just the National Police but each of the military services as well, are heavily involved in narcotics suppression activities. For example, he said military helicopters are needed to transport National Police narcotics units to remote jungle lab sites. He also said that because of cooperation between narcotics traffickers and subversive groups, narcotics enforcement efforts frequently encounter armed resistance. For this reason, the Army is needed to prevent casualties on the ground, and Air Force gunships escort transport helicopters to protect them from hostile ground fire. The Air Force is also involved in intercepting suspected smuggling aircraft entering Colombian airspace, and the Navy is responsible for controlling maritime smuggling because the National Police do not have maritime units.

General Vega said the military's struggle against drug trafficking is relentless, but he said the trafficker's economic resources are enormous and they have the best equipment. To be successful in this battle, he said, requires the full weight of both the U.S. and Colombian Governments. He asked for the solidarity and collaborative efforts of the United States to support Colombia in the battle against narcotics. Quoting at length from General Douglas MacArthur to emphasize the gravity of the narcotics threat and the need for immediate action, he urged an all-out assault against the menance of drug trafficking before it is too late, "too late in understanding the enemy, too late in mobilizing all our forces to resist,

and, I underscore, too late to join shoulder to shoulder with our allies."

General Vega told the delegation that to better support narcotic enforcement efforts in remote, inaccessible jungle areas, additional communications equipment and transport and combat helicopters are urgently needed to improve the military's mobility. He noted that the United States military is switching from Cobras to Apache-type helicopters and said it would assist Colombia tremendously if some of the helicopters that are being replaced could be leased to Colombia. He said that even if Colombia had the resources to procure new helicopters, the two-year delivery time is too long to wait in the battle against narcotics. He observed that Mexico had received 300–400 aircraft from the United States and wondered why U.S. assistance to Colombia has not been greater.

Congressman Gilman asked U.S. Embassy and Defense personnel present at the meeting whether U.S. military aircraft could be leased to Colombia. They replied that any such leases would be subject to availability and U.S. military readiness requirements. Mr. Gilman said this matter should be pursued further. He also told General Vega that U.S. assistance to Colombia in 1986 would be $32 million, nearly doubled from 1985. He said, however, that Congress was sensitive to Colombia's needs and would consider additional requests for support as long as Colombia is fully engaged in the war against drugs.

With regard to regional cooperation on narcotics control, General Vega mentioned that Colombia has bilateral agreements for anti-narcotics cooperation with the military establishments of Peru, Bolivia, Brazil, Panama, Ecuador and Venezuela. He also said the battle against narcotics must be worldwide, not just regional. In that context, he urged stronger U.S. controls on exports of precursor chemicals needed to process coca into cocaine.

Conclusions

1. About 75 percent of the cocaine entering the United States continues to be clandestinely manufactured in Colombia from coca paste smuggled from Peru and Bolivia where it is converted from coca leaves produced in these countries. Since 1981, drug trafficking organizations in Colombia have brought on line their own coca leaf and coca paste industry to augment the raw material supply from Peru and Bolivia. It is estimated that Peru and Bolivia each supply about 40 percent of the total coca paste processed in Colombia, with the remaining 20 percent now coming from domestic coca leaf production.

2. The clandestine production of marijuana in Colombia, notwithstanding a start at herbicide spray eradication continues to be responsible for about 70 percent of the marijuana entering the United States.

3. Following the assassination of Justice Minister Rodrigo Lara Bonilla, Colombia, beginning in March 1984, finally mounted an aggressive campaign that seized 47 cocaine laboratories, and about 14 tons of cocaine and coca paste, resulting in 1,425 arrests through August 1, 1984. Most arrestees were released due to insufficient evidence, a chronic problem of Colombian drug enforcement. The

continuing inability or unwillingness of the Colombian Government to effectively prosecute the vast majority of illicit cocaine manufacturers and traffickers whom they arrest in flagrant violation of their narcotic laws is primarily responsible for the illicit manufacturing and trafficking of cocaine and production and traffic of marijuana moving out of control in the country during the past decade.

4. No commitment has been received from Colombia to eradicate the illicit production of marijuana and coca leaf. There has been a token program to manually eradicate marijuana for a number of years, but it has been inadequate and production has continued to increase.

During 1984 Colombian authorities report that, of the 44,000 hectares of marijuana cultivated, about 1,500 hectares were destroyed manually. During July 1984, the Colombian Government began testing the aerial spraying of marijuana with the herbicidal glyphosate. This was followed by an operational program where about 3,000 hectares were eradicated before the 1984 crop was harvested. During the first 7 months of 1985 only 2,500 hectares have been eradicated by herbicides.

5. Prior to 1980 significant coca production did not exist in Colombia, but by then Colombian criminal organizations had developed and rapidly expanded coca leaf production in the southern departments of Cauca, Putumayo and Narino and the eastern plains departments of Meta and Vaupes. As with marijuana cultivation, a token manual eradication program has been carried out which has been ineffective and coca leaf production continues to expand in Colombia and is now thought to total about 25,000 hectares compared to 15,000 hectares in 1983. The State Department is assisting the Colombian authorities find a herbicide which will be effective in eradicating coca without causing adverse environmental effects. These efforts have been underway since 1982 and it is disappointing that, given the advanced state of herbicide technology, a suitable chemical cannot be agreed upon, particularly when coca cultivation in Colombia is increasing at about 25 percent annually.

6. What is of concern is that over the fifteen-month period that the reported increased enforcement activity has taken place in Colombia, beginning in April 1984, there has been no diminution in the availability of cocaine and marijuana of Colombian origin on our streets. Further, there has been no sign of any decrease in the smuggling of cocaine and marijuana to the United States from Colombia.

7. The failure of the Colombian Government to close down the clandestine airfields and docking sites used to load aircraft and vessels particularly along the north coast with marijuana and cocaine for smuggling to the United States, continues to be disappointing. This activity, if anything, seems to be tolerated by the Government of Colombia. It has never been seriously addressed, yet it is a choke point where aggressive enforcement could dramatically curtail drug smuggling to the United States.

8. Given the quantities of cocaine and coca paste and the number of laboratory facilities that have been reported seized, it is very difficult to understand how the cocaine being smuggled from Colombia to the United States is undiminished if it is not in fact continu-

ing to increase. We also note that during the same period, seizures of cocaine coming from Colombia, have been of record high levels in West European countries.

9. It is thought that until such time as the uncontrolled production of the coca leaf in Peru, Bolivia and Colombia is brought under control, we are not likely to see any decrease in the illicit manufacture and traffic of cocaine directed to the United States.

10. Past experience indicates that only by substantially eliminating narcotic raw materials have we been successful in dramatically, and over the long term, reducing the availability of heroin and cocaine. Unfortunately, in Peru, Bolivia and Colombia, coca leaf production is still increasing and there is no structured program in any of the three to progressively eliminate it.

11. When President Betancur met with President Reagan in December 1982, they had agreed that the drug problem was serious and that it must be attacked at the root and that they had asked Secretary of State Shultz and Foreign Minister Lloreda to work out a comprehensive, full plan of attack. This has not been done. The Select Committee supports this proposal and has been urging that "the United States in its narcotic control assistance to the Government of Colombia must develop an orderly, comprehensive approach to identify with that government what is needed to be jointly accomplished and how to go about doing it." This has been lacking in U.S. Government narcotic control assistance to Colombia which goes back more than ten years, yet during that period of time and to date the drug problem has gotten progressively worse.

Recommendations

1. To implement the development of a full and comprehensive plan to bring the illicit production and traffic of marijuana, coca and cocaine under control in Colombia the State Department should organize a small expert committee that would cooperate with a counterpart group organized by the Government of Colombia.

2. The joint committee of experts would assist Colombia to find a way to develop and implement a comprehensive program that would enable it to eradicate the illicit cultivation of marijuana and coca; to curtail the smuggling of coca paste and base from Bolivia and Peru; to effectively detect and seize the illicit processing facilities used to produce coca paste and cocaine; to suppress the internal and export traffic of these substances; to immobilize the clandestine docking sites and airstrips in the north coast region used to load vessels and aircraft smuggling marijuana and cocaine internationally; to expand and intensify its ability to arrest, convict, and incarcerate drug traffickers, particularly the major violators and financiers; and to cooperate more effectively with the narcotic enforcement agencies abroad of countries being affected by drug smuggling from Colombia.

3. If Colombia commits itself to the massive comprehensive multi-faceted program that is required to bring the production and traffic of narcotics under control, the United States must then substantially increase its programs of training, equipment and material assistance to Colombia. There is every reason to believe that

Canada and Western European countries also seriously affected by the traffic in narcotics from Colombia would join the United States in assisting Colombia. The United Nations, particularly its Fund for Drug Abuse Control (UNFDAC) can also provide valuable assistance if Colombia would offer realistic program opportunities.

ECUADOR

The delegation arrived in Quito, Ecuador late Tuesday afternoon, on August 6th and was briefed by the embassy country team. On Wednesday, August 7th, the delegation met with the President of Ecuador, Leon Febres Cordero; President of the National Congress, Raul Boca Corbo; Foreign Minister Edgar Teran Teran; and the Minister of Government and Police, Luis Robles Plaza.

Meeting With the President of Ecuador

Members of the Congressional delegation were deeply impressed by President Leon Febres Cordero's leadership, his commitment to preserving democratic institutions and his dedication to combatting narco-terrorism. He emphatically stated that his nation needs help in combatting the illicit production and traffic of coca and cocaine and the "narco-terrorism it creates." He requested increased assistance to achieve that objective. U.S. narcotics assistance, which was suspended in 1983, was resumed in September of 1984; $450,000 is committed for eradication and technical assistance. The Agency for International Development (AID) and the United States Information Service (USIS) are developing a $250,000 drug awareness prevention program for Ecuador.

President Febres Cordero also told the delegation that the United States and the international community must act before it is too late—too late in providing the resources, equipment, personnel, and funds; too late in enacting the necessary alliances needed to wage "war" effectively against the drug traffickers; too late in protecting the health of our citizens; and too late in protecting the health of our citizens; and too late in protecting democratic societies from the narco-terrorists. His forceful message on the urgency for the international community and democratic nations to join in a collective effort to combat narcotics trafficking and drug abuse was conveyed by the delegation to the leaders of the other nations that we visited. President Febres Cordero also expressed the need to create free trade zones and to lower existing trade barriers.

To emphasize the United States' commitment to assist Ecuador in its efforts to combat the drug traffickers, the delegation presented to President Febres Cordero and the Foreign Minister Teran a letter of August 2, 1985, from six Members of the House Foreign Affairs Committee to Secretary of State George Shultz requesting the Secretary to use available FY 1985 resources and to allocate immediately Economic Support Funds (ESF) to Ecuador for urgently needed farm assistance, internal security and drug interdiction programs. The letter was signed by Chairman Dante Fascell, a Member of the Select Committee, and Representatives Robert Lagomarsino, Robert Garcia, Benjamin Gilman, Michael Barnes, and Doug Bereuter.

James M. Montgomery, Acting Secretary for Legislative and Intergovernmental Affairs, stated in his reply of August 16, 1985, to Chairman Fascell that assistance to Ecuador has already increased "considerably, doubling development assistance, instituting PL 480 Title I program, and agreeing to new housing development guarantees." He further added that the State Department and the Agency for Intrnational Development (AID) "are attempting to identify sources of FY 1985 funds which could be reprogrammed for Ecuador." A copy of these letters are attached to this section (see Addendum I).

Also attached to this section is a copy of the Congressional Record of July 10, 1985 (see Addendum II), pertaining to the Garcia Amendment to H.R. 1555, the International Security and Development Act of 1985, that, among other subjects, indicates Congressional support for increased assistance to Ecuador. The Garcia Amendment, requiring the Secretary of State to transmit a report to the Congress by January 1, 1986, on the foreign debt in Latin America, passed on a voice vote.

During a colloquy with Mr. Lagomarsino on the conference report to the foreign assistance authorization bill, S. 960 (H.R. 1555), Chairman Fascell pointed out that the administration has recommended $15 million in ESF for Ecuador for fiscal years 1986 and 1987. He stated, however, that the State Department should not wait until FY 1986 before acting upon Ecuador's request for economic assistance. He also expressed the hope that the level of economic assistance to Ecuador exceed the administration's request. A copy of the Congressional Record for July 31, 1985 pertaining to this colloquy is also attached to this section (see Addendum III).

Meeting With the President of the National Congress

The President of the National Congress, Raul Baca Carbo, stated that he plans to recommend to the Congress that a special narcotics committee be created that would devote its full efforts to help prevent and control the illicit production, trafficking and consumption of drugs.

Meeting With the Foreign Minister

Ecuador, like other South America nations, is reeling under an enormous foreign debt, which has escalated to $7.1 billion. Foreign Minister Teran expressed the need for more credits from the industrialized nations and the need to encourage foreign investment from the private sector.

The Government of Ecuador realizes that it is being bombarded by cocaine coming from Peru and Bolivia to the north and from illegal national production in some regions of the country, and that the illicit marketing of chemicals to process coca has become a critical problem for that nation.

The Drug Enforcement Plan

In the meeting with the Ecuadorian authorities on August 7, at Quito, the Committee delegation stressed the need for all countries

confronted with an illicit narcotics production and trafficking problem to prepare a plan of action to provide for eradication and enforcement operation on a programmed basis.

Later that same date Police Colonel Milton G. Andrade Davila, National Director of Narcotics and Interpol, presented Chairman Rangel with a plan of action. Upon its return to the United States the Committee had the plan translated (see Addendum IV).

In a letter dated September 19, 1985, Chairman Rangel transmitted a copy of the Ecuadorian narcotics control plan to the Honorable Jon R. Thomas, Assistant Secretary of State for International Narcotics Control Matters. A copy of the original Spanish language version was also enclosed. In a letter dated October 7, 1985, Assistant Secretary Thomas responded to Chairman Rangel. A copy of the plan and Chairman Rangel's and Assistant Secretary Thomas' exchange of letters are set forth below (see Addendum V).

The objective of the plan is to eradicate illicit production of coca in Ecuador, suppress illicit manufacture, locate and destroy clandestine airstrips, control the trade of chemicals necessary to produce coca paste and cocaine and identify, arrest, convict and imprison drug traffickers.

The Government of Ecuador seeks training for its agents at the DEA Training Center in Glynco, Georgia; assistance to acquire and install communications equipment; and in-country DEA training for Ecuadorian law enforcement officers. Ecuador also needs vehicles, motorcycles, technical investigative equipment, typewriters, outboard river patrol motorboats, and helicopters to transport personnel and equipment to remote jungle regions. To carry out its drug suppression program, the Government of Ecuador seeks $2 million from the United States for fiscal year 1985–1986.

According to data provided by Ecuador's National Police, between August 1984 and July 1985, Ecuador's law enforcement agents arrested 1,626 traffickers (no data was provided regarding the number of traffickers convicted); seized 1,552 pounds of cocaine, 148 pounds of marijuana and 22 vehicles, 73 clandestine laboratories, 1,145,476 coca plants, 670 gallons of acetone, over 23 gallons of sulphuric acid; and more than 5,000 gallons of gasoline were seized or destroyed.

The Quito Declaration

On the occasion of the inauguration of President Febres-Cordero at Quito on August 11, 1984 the Quito Declaration Against the Traffic in Narcotics Drugs was signed by the Presidents of Bolivia, Colombia, Ecuador, Venezuela, by the Representative of the President of Peru, by the President-Elect of Panama, by a member of the Governing Junta of National Reconstruction of Nicaragua and the Vice President of Panama. The text is set forth below:

QUITO DECLARATION AGAINST TRAFFIC IN NARCOTIC DRUGS

1. Whereas drug dependence is harmful to public health, one of the essential assets of the human being and an inalienable human right.

2. Whereas any deficiency in public health is a circumstance that can affect and condition the economic and social development of peoples.

3. Bearing in mind that the repeated use of drugs affects the faculties and freedom of action of the drug addict, producing serious physical and mental effect which damage the personality of the user.

4. Whereas the illicit use of drugs has caused serious harm, with frequently irreversible effects, to youth, the most noble component of the human resources constituting the peoples of the world.

5. Whereas traffic in drugs and drug use, as a result of the technological advances in communications media, the unprecedented spread of transculturation, the increase in organized crime and other factors, can no longer be contained by isolated action on the part of States and call for multilateral action to combat traffic in narcotic drugs and connected or related activities.

6. Whereas there is ample evidence that the traffic in narcotic drugs is closely linked to plans and activities aimed at subverting the legal order and social peace in our countries, for the furtherance of ignoble mercenary aims.

7. Whereas it has been clearly demonstrated that the traffic in drugs is using means of corrupting the political and administrative structures of producer and consumer countries.

8. Whereas there is a need for international legislative action capable of directing an effective campaign against traffic in narcotic drugs beyond national frontiers and imposing penalties on offenders, wherever they may be.

9. Whereas the volume, magnitude and extent of the traffic in narcotic drugs represent a threat to society the world over, and particularly affect youth, and are harmful to the very existence and future development of the human being.

10. It is decided that the following proposal should be submitted for the consideration of the competent international organizations:

(A) That traffic in narcotic drugs should be considered a crime against humanity, with all the legal consequences implicit therein;

(B) That an international or regional fund should be established to provide assistance to developing countries affected by traffic in narcotic drugs with a view to combatting and remedying the causes underlying those circumstances and providing them with suitable instruments for the control of such unlawful activities.

HERNAN SILES SUAZO, *Constitutional President of the Republic of Bolivia.*

JAIME LUSINCHI, *Constitutional President of the Republic of Venezuela.*

SERGIO RAMIREZ MERCADO, *Member of the Governing Junta of National Reconstruction of Nicaragua.*

MANUEL ULLOA, *President of the Senate, Representative of the Constitutional, President of the Republic of Peru.*

LEON FEBRES CORDERO, *Constitutional President of the Republic of Ecuador.*

BELISARIO BETANCUR LARREA, *Constitutional President of the Republic of Colombia.*

CARLOS OZORES TYPALDOS, *Vice-President of the Republic of Panama.*

NICOAS ARLITO BARLETTA, *President Elect of the Republic of Panama.*

QUITO, ECUADOR, *August 11, 1984.*

Congress of the United States

House of Representatives

Washington, D.C. 20515

August 2, 1985

The Honorable George P. Shultz
Secretary
Department of State
2201 C Street N.W.
Washington, D.C. 20520

Dear Mr. Secretary:

We urge you to reprogram unexpended FY 1985 economic support funds for Ecuador.

The new administration of President Leon Febres-Cordero, just one year in office, has been widely acknowledged to be one of the most progressive, energetic, and stimulating governments in Latin America. His philosophy of promoting free enterprise and reducing government interference in the economy of Ecuador appears to be working. His efforts enjoy wide support among members of the House.

As you know, Ecuador is bravely attempting to reestablish a strong democracy for its people in the face of recent military rule, leftist terrorism, economic hardship due to adverse weather and climatic conditions, and the international traffic of drugs in the area.

In addition to development assistance currently available, it is essential that the United States allocate ESF immediately. Ecuador needs this help for farm assistance, internal security and drug interdiction.

We urge you to make use of FY 1985 resources still available to you to bolster President FeBres-Cordero's efforts and to reinforce our commitment to his laudable agenda.

Sincerely

Robert Lagomarsino, M.C.

Robert Garcia, M.C.

Dante B. Fascell, M.C.

Ben Gilman, M.C.

Michael Barnes, M.C.

Doug Bereuter, M.C.

Rg/wcd

enclosures

United States Department of State

Washington, D.C. 20520

AUG 16 1985

Dear Mr. Chairman:

Thank you for your letter of August 2, in which you and your colleagues urge the allocation of ESF to Ecuador immediately.

The Department of State shares your assessment of the administration of President Febres-Cordero. He is indeed an effective spokesman for democracy and free enterprise. We agree U.S. economic assistance could help bolster the efforts of his government. Already in Febres-Cordero's first year in office we have increased aid considerably, doubling development assistance, instituting a PL 480 Title I program, and agreeing to new housing development guarantees.

With respect to additional assistance, State and AID are attempting to identify sources of FY 1985 funds which could be reprogrammed for Ecuador. Resources are very tight, especially at this late stage of the fiscal year. Nevertheless, we are exploring a number of possibilities, which will become clearer as we get closer to the end of the fiscal year.

If you have further questions, please do not hesitate to contact my office.

Sincerely,

James M. Montgomery
Acting Assistant Secretary
Legislative and Intergovernmental Affairs

RECEIVED AUG 19 1985 FOREIGN AFFAIRS

The Honorable
Dante B. Fascell
Chairman, Committee on Foreign Affairs,
House of Representatives.

MIRACLE? IN ARGENTINA?

(By William D. Rogers)

Miracle? In Argentina? A country headed, straight for economic self-destruction a few weeks ago, where the value of money was going down so fast that by year end it would have been worth less than a tenth of its value at the beginning of 1985? Yes, the Alfonsin shock treatment announced on June 13 may quite possibly prove an authenic modern miracle.

The Argentine president imposed:

Tight price and wage controls. Both wages and prices had been going up 1,000 percent a year the day before the new plan was announced.

Deindexation, in a nation where everything was indexed to the inflation rate.

A new currency pegged to the American dollar. At $1.25, it replaces the old peso that had been worth a tenth of a cent.

A balanced government budget. The deficit had been exploding, paid for by rolling the printing presses.

When it announced the new program, the government held its breath, and closed the banks. When the banks finally reopened a week later the lines of waiting customers stretched out for blocks. One high official on his way to the office in the early morning thought that the nation was in a financial panic. He came to realize a few hours later that the public reaction was wildly enthusiastic. Instead of withdrawing their money, people were renewing deposits and taking dollars out of the mattress to buy the new Argentine austral.

Reserves began to build. Watch committees were organized by school districts to monitor prices and bring pressure on retail stores to maintain the freeze. Businessmen joined in the support. Trade union leaders welcomed the possibility that the nation might get off the inflation roller coaster. The shock program had the enthusiastic backing of four out of every five Argentines.

I arrived in Argentina the day banks reopened, intent on running my own private opinion poll. The first stranger I talked to was a down-at-the-heels parking lot attendant. He had seen economic reforms come and go. "I believe in this plan," he said. For the first time, we have a president who wants to lead and a program that could work. All the people of Argentina feel the same way. Of course, in the end, it depends on God. And God has a lot of things on his mind right now."

I found the same sentiments all across the spectrum of Argentine life—political figures, businessman, trade union leaders, bankers. Women were particulary supportive. They concluded that the program might let them regain control of their household economic destinies.

In short, the shock treatment passed its first test with flying colors. But the next will be difficult—to persuade the people that the government really means to balance the budget. Argentines are financial wizards; they have had to be to survive. And they know that the minute the government begins to print money again, all bets are off and Argentina is on the way once more to world-record inflation.

There is a widespread hope, however, that the Alfonsin administration has done its sums and will be able to finance its reduced expenditures with existing and new revenues. It also looks to be ready to restructure the economy, divesting itself of some of the loss-making public-sector enterprise and offering new and more favorable oil contracts to foreign investors.

Argentina's policies give Alfonsin some running room. His personal popularity has soared since the shock treatment began. The opposition Peronist Party is split. And the mighty General Confederation of Labor, historically Latin America's most militant trade union, now has new leadership committed to democracy and persuaded that democratic institutions and the interest of working people both depend on stopping inflation and starting growth. It is even conceivable that the government, the unions and business can fashion a break-through deal in which organized labor would agree to a freese in wage demands in exchange for the maintenance of employment during a year or two of adjustment.

Paradoxically, Alfonsin's most serious opposition may be in his own party, the Radicals. The technocrats who stitched the new plan together, and who are responsible for its remarkable initial political acceptance, are not party hacks. The established Radical Party leadership, which has grown old playing traditional Argentine politics, distrusts them and their success. Many Argentines are persuaded that Alfonsin must isolate them if he is no succeed in carrying his program through the next difficult stages.

And the program is in for some rough days ahead. Wage controls and price freezes are difficult enought in the best of circumstances. Capital movements can overwhelm fixed exchange rates. So the technocrats know that they will have to manage a delicate transition and maintain a high level of public confidence at the same time. They also know that that happy day is not yet here when inflationary expectations are squeesed out of the system, new foreign investment rolls in, growth takes off, jobs multiply and a rigid and uncompetitive economy shakes itself into world-class efficiency.

Yet, it would be a mistake to bet against this miracle. So far, not many Argentines are. There is a widespread sense of cautious hope. A nation, tested by a humiliating military defeat in 1982 and an anguishing lurch from authoritarianism to democracy in 1983, and which, by putting its own former military leaders on public trial, is now coming to terms with the human rights atrocities of the past decade, is facing up to yet another national challenge.

If the miracle comes to pass, the consequences will be felt far beyond Argentina. The cause of democracy in the hemisphere will have received a real lift. And Alfonsin will have proved that fighting inflation and turning an economy inside out, even in the midst of an international debt crisis, is good politics in Latin America—if a nation comes to believe that the hardship is fairly shared and that there is hope around the corner.

Mr. Chairman, one last point. I would like to take special note of the economic situation in Ecuador. The government of that nation, led by President Leon Febres Cordero, has made real progress in encouraging new investment. It has also managed to successfully reschedule its foreign debt. In short, Ecuador has managed to avoid many of the pitfalls of other Latin nations by adopting a sound fiscal policy.

Mr. BARNES. Mr. Chairman, will the gentleman yield?

Mr. GARCIA. I yield to the gentleman from Maryland.

Mr. BARNES. Mr. Chairman, I agree with the gentleman that Ecuador has managed to avoid some of the problems that its neighbors have had in trying to handle their economic difficulties, but too often a government will adopt austerity programs that despite all good intentions, will cause social unrest at home. Is that the case with Ecuador?

Mr. GARCIA. The gentleman raises a good point. I recently had an opportunity to speak with the Ecuadoran Finance Minister and Ambassador to the United States. They both assured me that economic stability was not going to be achieved at the expense of the poor in Ecuador. In fact, they said quite the contrary, that the present administration in Ecuador realizes that real prosperity is only possible if it benefits all sectors of society.

Nonetheless, Ecuador resumed economic growth last year at a rate of about 3 percent. The growth rate for this year is expected to be 2.5 percent. Last year, its inflation rate was about 24 percent; it is expected to decrease to about 20 percent this year. This is noteworthy when you compare it to the inflation rate of other Latin nations.

Fortunately, Ecuador has a stable political situation. It has no insurgency problem to speak of; it has a solid human rights record; and it does not have a problem with drug trafficking. Ecuador has been able to revitalize its economy while maintaining a commitment to democracy.

Ecuador, however, needs our help. The committee reported bill includes economic support funds for Ecuador. I believe that figure is $15 million for fiscal years 1986 and 1987. It is my hope that Ecuador can get more ESF either by reprogramming money for fiscal year 1985 or through an outright increase for fiscal years 1986 and 1987. I realize that the distinguished chairman of the committee has tried to keep spending at a manageable level, and I support his efforts. I am, therefore, not suggesting that we increase the total for ESF, only that Ecuador, if possible, be give a larger share. It would certainly be money well spent.

Mr. BARNES. If the gentleman will yield again, the gentleman has made an important point. Ecuador has set itself apart from other Latin nations in its efforts to achieve economic stability. Ecuador does deserve our help. This is an opportunity for us to help turn Ecuador into a Latin American success story.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. GARCIA. I yield to my colleague, the gentleman from California.

Mr. LAGOMARSINO. Mr. Chairman, Ecuador, under its new 10-month-old Presidency of Leon Febres-Cordero, has quickly become a formidable example in the region for responsible development, political stability, and human rights.

Development: Febres Cordero's energetic programs to stimulate private enterprise in Ecuador and lessen the burdensome role of government are unparalleled in the region, and is being called "Reaganomics in Quito" by

Forbes Magazine. A U.S.-educated businessman and multimillionaire, Febres has moved swiftly to lower taxes, eliminate production subsidies, agricultural price controls, address their foreign debt by biting the bullet responsibility, and getting government out of the free market in an unprecedented way.

Political Stability: Ecuador has been a functioning multiparty democracy since 1979, when constitutional government was restored after 7 years of military rule. Its 1984 elections were widely accepted as representative of the popular will.

Human Rights: Since its return to democracy, the Government of Ecuador has vigorously upheld the principles of representative rule and respect for civil liberties established in the Constitution and international human rights organizations have praised Ecuador for its achievements. There were substantiated cases of major human rights violations in 1984, according to the latest State Department reports.

Ecuador must be stimulated to continue on its present course set by President Febres Cordero, for it cannot accomplish its great objectives alone.

The United States must provide more help to Ecuador than originally planned to help promote its development as a shining example of what enlightened and responsible democratic rule can achieve in Latin America.

The CHAIRMAN. The time of the gentleman from New York [Mr. GARCIA] has expired.

(On request of Mr. GILMAN, and by unanimous consent, Mr. GARCIA was allowed to proceed for 2 additional minutes.)

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. GARCIA. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Chairman, I want to commend the gentleman and I support his amendment.

I want to say that the probusiness conservative administration of President Leon Febres-Cordero inaugurated in August 1984 has moved vigorously to reverse a policy of prior administrations in Ecuador of not placing drug interdiction on a high priority, according to our DEA and State Department reports. We should commend Ecuador for moving in the right direction in trying to stamp out narcotics production and narcotics trafficking in that country.

I thank the gentleman for yielding.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. GARCIA].

The amendment was agreed to.

Mr. GARCIA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, it had been my intention to introduce another amendment praising the Governor of Puerto Rico for his efforts to revitalize the Caribbean Basin Initiative, but I have decided not to do so because there is a question of germaneness.

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. GARCIA. I am happy to yield to my friend from New York.

Mr. GILMAN. I am curious about the Governor's plan. Would the gentleman explain it further?

Mr. GARCIA. I would be happy to, and I thank the gentleman for asking. In his inaugural address last January, Gov. Rafael Hernandez Colon of Puerto Rico announced an innovative plan that would give the Caribbean Basin Initiative a much needed shot in the arm, as well as help to Puerto Rico's economy.

He intends to achieve this by making available a portion of corporate funds accumulated by utilizing section 936 of the Internal Revenue Code.

Section 936 is a tax break which permits U.S. mainland corporations to earn tax-free profits from their Puerto Rican-based affiliates. In addition, most of these corporations often deposit their 936 earnings in Puerto Rican banks which reduces the toll-gate tax that would otherwise be levied on the repatriation of these profits to the mainland.

As of last September, there were $6.7 billion in deposits in Puerto Rican banks as a result of this program. The depository banks under Puerto Rican law are required to redeposit 10 percent of these funds in the Puerto Rican Development Bank. The Governor of Puerto Rico intends to make these funds available on a concessionary basis to Puerto Rican companies willing to set up twin plants in Puerto Rico and Caribbean Basin nations.

The twin-plant concept is fairly simple: A corporation would begin manufacturing a product in a CBI nation—the labor-intensive portion of that product—and complete the process in Puerto Rico—the capital-intensive or more technical part of the manufacturing process. At least 20 percent of the value of the product must come from Puerto Rican plants.

The Governor's plan is not completely new. A similar program is already being used by the Japanese. They have actively develop a manufacturing process that emphasizes capital-intensive or higher-value-added manufacturing. The Japanese farm out the labor-intensive portion of the process to other nations in the region which are better equipped to produce that part of the product.

The CBI was developed on two basic principles: duty-free access to U.S. markets and tax incentives. While the duty-free access was written into the original legislation—nations get duty-free access to U.S. markets—the tax incentives have never materialised. By using 936 related funds, tax incentives—that is, investment incentives—would finally become a part of the CPI.

The Governor deserves praise for his plan. He rightly considers development of the private sector as being crucial to the stability of the nations of the Caribbean Basin. This is not merely a tax issue or an investment issue. It is a foreign policy concern. I am convinced that if the Governor's plan is put into effect that we would see the beginning of an economic revitalization of the Caribbean.

One final point. I will be sending around a "Dear Colleague" letter shortly asking Members to sign on to a letter to President Reagan, requesting his support for Gov. Hernandez Colon's proposal.

Mr. GILMAN. I commend the gentleman for bringing to our attention this innovative plan from the Governor of Puerto Rico. It is certainly an idea worth considering, and the Governor is worthy of praise for putting forth such an idea.

□ 1730

Mr. BEREUTER. Mr. Chairman, will the gentleman yield?

Mr. GARCIA. I yield to the gentleman from Nebraska.

Mr. BEREUTER. I thank the gentleman for yielding.

Mr. Chairman, I, too, commend the gentleman for bringing this matter to our attention, and he has done so before through his comments recorded in the CONGRESSIONAL RECORD. I think the gentleman's interest in adding this proposed amendment to this proposed legislation is most commendable. The Governor and other political leadership of Puerto Rico deserve to be commended too for their innovative actions which precipitated the gentleman's draft amendment.

The "twin-plant" or the "paired-plant" concept previously described by the colloquoy of the two gentlemen from New York can indeed bring great benefit to the Caribbean Basin and help the United States implement the Caribbean Basin Initiative. It also benefits Puerto Rico and thus makes the CBI more acceptable to Puerto Ricans. I hope that Congress will take a clue on this tax matter from the presentation that the gentleman has made and thus protect the Puerto Rican economy.

The CHAIRMAN. The time of the gentleman from New York [Mr. GARCIA] has expired.

(By unanimous consent, Mr. GARCIA was allowed to proceed for 2 additional minutes.)

Mr. GARCIA. Mr. Chairman, I yield to the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. I thank the gentleman for yielding, and in closing I would simply reiterate that I do hope the Congress will take a clue from the gentleman's presentation here and from his previous presentation on this vital tax matter. The Congress should commend the Governor of Puerto Rico for his leadership and for implementing a very innovative idea. It should also begin to work this concept into

the Congress enacted for fiscal year 1985.

I am glad to say that the Senate, which had a 1 year authorization, receded to the House which had a 2 year bill. So we have a 2 year authorization in which the second year, fiscal 1987, is a straight line—a straight freeze—of all the numbers for fiscal 1986. It contains no upward allowance for inflation or any other factor.

This bill, as Members know, authorizes programs which are absolutely vital to American interests around the world. Its security assistance enhances our own security by strengthening our friends and allies and those who provide facilities for American forces abroad. It provides economic assistance in areas of special concern to the United States such as the Middle East. It assists in the self help economic development of poor countries, who in turn are getting to become among the best customers for American exports. And most of the money for this so-called foreign aid actually is spent right here in the United States, which means jobs and business for Americans.

An indispensable factor, as far as I am concerned, is the support that passage of this conference report will give to the legislative process as a whole. The Congress will be voting foreign assistance in an appropriations bill or a continuing resolution, anyway. What this bill does is provide authorization according to the proper legislative process, and it provides the key instrument through which the Congress can exercise its proper role in foreign affairs.

This is the first time since 1981 that the Congress will have done this according to the proper procedure. That in itself commends this conference report to the House. Further, there are a number of congressional initiatives in this bill of which we should be particularly proud. Highlights of the conference report include:

ANTITERRORISM

Authorizes $9,840,000 a year for antiterrorism assistance; gives the President authority to ban trade with Libya and any other country that supports terrorism and report this action to Congress; expresses sense of Congress that all civilized nations condemn use of terrorism and cites the murder of Army Maj. Arthur Nicholson by a Soviet soldier; calls on the President to seek creation of an international committee to secure cooperation of other nations to combat terrorism, and to negotiate treaties to respond more effectively to terrorist attacks through close intelligence sharing and uniform laws on asylum, extradition and swift punishment of terrorists.

AIRPORT SECURITY

Calls for strict security measures at international airports to curtail aircraft hijackings and sabotage; requires publication of airports that fail to meet minimum standards within 90 days of notification and the traveling public so advised; requires the President to suspend foreign aid to high-terrorist-threat nations that fail to meet security standards—this can be waived if the President determines national security interest or humanitarian emergency exists; authorizes study on need to expand the U.S. Air Marshal Program and allow marshals to carry firearms and make arrests; calls on Secretary of State to secure international agreements for vigorous enforcement of airport security standards.

NARCOTICS

Authorizes $57 million to fight international narcotics traffic; imposes economic sanctions against Bolivia and Peru unless they improve their anti-narcotics efforts; repeals the Mansfield amendment which prohibited U.S. agents from being present at foreign drug arrests; provides defensive armaments for foreign aircraft being used to combat drugs; requires study to determine feasibility of establishing a Latin American regional narcotics control organization, and calls on the President to negotiate updated treaties on extradition and bank confidentiality where narcotics are involved.

ANGOLA

Repeals Clark amendment, thereby giving the President authority to provide military or other assistance to the freedom fighters opposing the Marxist government; White House supported repeal but has not requested funds for this purpose; Cuba maintains a force of 25,000 troops in Angola.

MIDDLE EAST

Israel continues to be chief beneficiary of U.S. aid with $3 billion a year authorized, plus $1.5 billion in emergency economic assistance. Egypt would receive $2.1 billion, plus $500 million in emergency economic aid.

PHILIPPINES

Provides a total of $180 million on U.S. base related assistance a year but shifts emphasis from military to economic aid; $70 million for military assistance—down 30 percent from administration request—and $110 million in economic aid; statutory requirement makes clear Congress can defer future assistance unless Philippines implements fundamental reforms.

CAMBODIA

Provides $5 million a year in military or economic aid to the anti-Communist Cambodian resistance forces; prohibited, however, to Khmer Rouge.

NICARAGUA

Authorizes $27 million in humanitarian aid to the anti-Sandinista guerrillas but requires that aid be channeled through an agency other than the CIA or Department of Defense.

EL SALVADOR AND GUATEMALA

Supports efforts of President Duarte to bring democracy and social and economic development to El Salvador, and efforts to establish democratic institutions in Guatemala.

GREECE AND TURKEY

Maintains present 7-10 ratio in U.S. military assistance; Greece would get $500 million and Turkey, $714 million.

OTHER

Provides full funding through fiscal year 1989 to implement recommendations of Kissinger Commission; expands existing authorities facilitating joint weapons projects between U.S. and NATO allies; tightens up costing formula for sale of military training to achieve a savings estimated at up to $100 million.

Mr. Speaker, I have received additionally some specific questions from the gentleman from California [Mr. LAGOMARSINO] to which I will be happy to provide answers at this point:

Mr. LAGOMARSINO. Does this legislation earmark any ESF for Ecuador in fiscal years 1986 and 1987?

Mr. FASCELL. The Foreign Affairs Committee does not generally earmark funds. Thus, the bill does not contain an earmark in the ESF account for Ecuador. However, I know that President Febres-Cordero recently requested President Reagan to provide ESF in this and subsequent fiscal years for his country. In addition, I would say that the fact that funds are not earmarked in this need in no way prejudice their request for such assistance. On the contrary, Ecuador's economic reform program, social policies, and human rights record, make it highly deserving of such aid.

Mr. LAGOMARSINO. How does the conference report treat our committee's recommendation with respect to ESF for Ecuador during the next 2 fiscal years?

Mr. FASCELL. The administration recommended $15 million in ESF for Ecuador in fiscal years 1986 and 1987. There is no ceiling on ESF for Ecuador in the bill. Indeed, I would suggest to the administration, that this is a minimum amount that should be provided. I would hope that the actual level of ESF exceeds the administration's original request.

Mr. LAGOMARSINO. Do we make any recommendation with respect to a reprogramming of ESF for Ecuador for this fiscal year, and would the gentleman be supportive of such a reprogramming if the State Department were to take such action?

Mr. FASCELL. The bill does not make any such recommendation with respect to a reprogramming of unexpended fiscal year 1985 funds. Nonetheless, I would say that the State Department should not wait for the new fiscal year before acting on Ecuador's request for ESF. Ecuador has real needs and is facing serious threats from antidemocratic forces in the region.

In order for Febres-Cordero's program to succeed, he needs to receive U.S aid now—not later. So I would say that I would be very supportive and, indeed, favor the State Department's reprogramming of unexpended funds

from the fiscal year 1985 ESF account to Ecuador.

Mr. BROOMFIELD. Mr. Speaker, I yield myself such time as I may consume.

(Mr. BROOMFIELD asked and was given permission to revise and extend his remarks.)

Mr. BROOMFIELD. Mr. Speaker, I join in support of the conference report before us. Thanks to a spirit of compromise and the hard dedicated work of both members and staff, the report before us was made possible. In particular, I want to commend the excellent work of the conferees and the outstanding contributions of Senator LUGAR and Chairman FASCELL. Also, the dedicated work of committee staff directors Jeff Bergner, Jack Brady, and Everett Bierman, and their associates contributed significantly to achieving this commendable agreement.

For the first time in 4 years, we have been able to agree to a foreign aid authorization bill, the levels of which are below the 1985 freeze levels. We have been able to put this bill together in spite of a lack of cooperation on the part of the Department of State. It is obvious that many in the bureaucracy misread the will of the American people regarding excessive spending. This conference report clearly expressed Congress' sensitivity to the high budget deficits and the concerns which many people have regarding unreasonable amounts of foreign aid. The conference report also represents a commitment on the part of the conferees regarding the importance of maintaining the authorizing function, a key element in the democratic process of this institution.

The conference committee resolved important issues affecting the security of America and our friends and allies around the world. In particular, we agreed to ease some of the congressional restraints on the President's power to conduct foreign policy by providing assistance to freedom fighters in Nicaragua, Cambodia, and Afghanistan, as well as lifting the Clark amendment ban on assistance to the freedom fighters in Angola. Progress was also made in the area of Presidential flexibility in dealing with Jordan and the Philippines. Ways to better combat international terrorism were also addressed by the conferees. In particular, new and firm approaches will be taken by our Government toward countries with inadequately secured international airports.

Although I still have reservations about some provisions which tend to micromanage the foreign policy process, I do support the conference report before us. With these concerns in mind, I urge my colleagues to join me in adopting the conference report.

Mr. Speaker, I yield such time as he may consume to the gentleman from Arkansas (Mr. HAMMERSCHMIDT).

(Mr. HAMMERSCHMIDT asked and was given permission to revise and extend his remarks.)

Mr. HAMMERSCHMIDT. Mr. Speaker, I rise in opposition to the conference report on S. 960, the Foreign Assistance Act. I would, however, like to direct my colleagues' attention to part 2 of title 5 of this bill which deals with foreign airport security.

As we all know, aircraft hijacking and sabotage have, unfortunately, become more frequent in the past few weeks. There are many reasons for this. One of the major ones is the lax security at some foreign airports. This body recognized that problem last June and responded quickly by passing H.R. 2796, the Foreign Air Travel Security Act of 1985, a bill originally introduced by the leadership of our committee, the Public Works and Transportation Committee. Shortly after that bill was passed, our committee sat down with the Foreign Affairs Committee and developed a new and improved version to better protect foreign air travelers from terrorist actions. As you know, this revised bill also was passed as an amendment to H.R. 1555, the Foreign Assistance Act. It was as part of this act that our antiterrorism bill went to conference with the other body and comes before you today.

It is unfortunate that our antiterrorism measure has become bound up in the Foreign Assistance Act. The antiterrorism portion of this act—title 5—would be extremely beneficial. It emerged from conference with few changes from the House-passed version. It continues to direct the Secretary of Transportation to assess security at foreign airports.

The assessment will be based on the standards and appropriate recommended practices of the International Civil Aviation Organization (ICAO). If an airport is found to be deficient, the foreign government involved will have 90 days to solve the problem. Failure to do so could result in a number of sanctions against the airport. These could include a complete cut off of air service between the United States and the offending airport. Loss of access to the U.S. market would put heavy pressure on the foreign government to bring its security measures up to standard.

In addition, title 5 of the conference report includes public notice provisions so that a traveler is aware of potential dangers and can make an informed decision whether or not to go. The required notice would take the form of a sign at all U.S. airports and a written notice provided to the passenger when buying a ticket from an airline or travel agent. The public could also receive notice under title 5 through the news media or by a travel advisory.

There are several other provisions in title 5 that are also beneficial. For instance, there is a provision calling for a study of an expanded Air Marshal Program on international flights of U.S. airlines. Air marshals could be an effective means of deterring hijacking in some cases.

Mr. Speaker, title 5 of S. 960 could be very helpful in our war against terrorism. If it were standing alone, I would certainly support it. In this connection, I note that both Houses have passed separate antiterrorism measures that do stand alone.

I am hopeful that, even if S. 960 should be defeated, the differences between these other antiterrorism bills can be resolved so that final passage of these important measures can be achieved.

I am confident that all my colleagues support our goal of preventing hijacking and sabotage of civil aircraft. We should not let a possible setback here deter us from enacting measures that further that goal.

● Mr. SNYDER. Mr. Speaker, I would like to elaborate on the gentleman's remarks on the airport security portion of S. 960—part 2 of title V. It is a comprehensive measure and one which, if it were not included in this particular bill, would be most worthy of my colleagues' support.

Part 2 of title V of this conference report represents the combined efforts of the committees with jurisdiction over foreign affairs and civil aviation to develop legislation to effectively address the problem of international terrorism committed against commercial air transportation. As such, it contains provisions which were embodied in H.R. 2796—which was adopted by this body on June 19—as well as provisions included in H.R. 1555 and S. 1436.

This portion of the conference report requires an assessment of foreign airports to determine whether a particular facility meets internationally approved security standards. This assesment will be made primarily by the Secretary of Transportation in consultation with the Secretary of State as to the nature of the terrorist threat which may exist in that country. Any airport which is determined to be deficient in its security procedures will be so notified and will have 90 days in which to correct the deficiencies. If remedial steps are not taken within that time, a travel advisory may be issued by the State Department and additional steps will be taken by DOT and the airlines to advise passengers that the airport does not meet internationally approved security standards.

The bill also requires the immediate issuance of a travel advisory, as well as the other forms of public notice, in those special cases where a condition exists which jeopardizes the safety of passengers, crew, or the aircraft.

Part 2 of title V also expands the authority of DOT to suspend or revoke the operating rights of United States and foreign carriers to serve the problem airport and also broadens the authority of the administration to take

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NATIONAL OFFICE OF NARCOTICS AND INTERPOL

Quito, August 7, 1985

REPUBLIC OF ECUADOR

GENERAL COMMAND
NATIONAL POLICE

NATIONAL OFFICE OF
NARCOTICS AND INTERPOL

CONCERNING THE PROJECT OF THE NARCOTICS AND INTERPOL SERVICE OF THE NATIONAL POLICE FOR THE CARRYING OUT OF OPERATIONS IN THE CONTROL AND SUPPRESSION OF ILLEGAL COCAINE TRAFFICKING, IN THE PERIOD 1985-1986.

SITUATION

The drug problem has become a very critical situation in our country due to the following aspects:

1. - The existence of considerable expanses of illegal crops of of coca in diverse regions of the republic.

2. - The illegal trafficking of coca due to the geographic location of Ecuador on the international drug traffic routes:

   a. - Bolivia-Peru-Ecuador-Colombia-United States
   b. - Bolivia-Peru-Ecuador-Colombia-Ecuador-United States and European countries.

3. - Ecuador is currently being "bombarded" by cocaine, coming from Peru and Bolivia to the south, from Colombia to the north and from illegal national production in some regions of the country.

4. - The illegal marketing of chemical inputs for processing the coca from Ecuador to clandestine laboratories of drug traffickers in Colombia.

OBJECTIVES

1. - The destruction of illegal coca crops in Ecuadorian territory.

2. - Interdiction of illegal trafficking of cocaine in its different national and international routes.

3. - Locating and destruction of clandestine airstrips.

4. - Cutoff of chemical inputs, in their trade and illegal purposes.

5. - Identification, arrest, and imprisonment of the main traffickers in these illegal activities.

- CRS - 2

OPERATIONS TO BE CARRIED OUT

1. - Reconnaisance flights over regions in which intelligence has determined coca plantings exist.

2. - Inventory of the coca plantings and crops which exist in the country.

3. - Interdiction of the illegal coca traffic at the national and international levels, in the air, land, maritime and river routes which cross the national territory.

4. - Locating and destruction of clandestine airstrips.

5. - Elimination in its totality of the illegal trade of chemicals for the processing of coca, whether at the national level or on its route to Colombia.

6. - Apprehensions of drug traffickers sought by competent authorities or as a result of police proceedings for drug trafficking activities.

7. - Periodic inspections of the sites of the destroyed coca crops in order to prevent the return to planting and production.

VARIOUS ASPIRATIONS

1. - Training: that specific numbers of officials and agents (troops) be able to attend the DEA Training Centers in Glynco, Georgia, USA.

2. - Request the assistance necessary for the acquisition and installation of communications equipment necessary for all this type of operation.

3. - Provision of vehicles, including a bus and a truck for moving personnel and equipment from Quito to the nearest towns of the Oriente near the air operations.

4. - Provision of motorcycles, indispensable for surveillance.

5. - Special technical equipment for obtaining evidence and a successful culmination of the cases of investigation.

6. - Seminars: two seminars of the Chiefs of Narcotics and Interpol, to be held in this city twice a year, for purposes of coordination and updating of knowledge.

7. - Typewriters for administrative services.

8. - Travel allowances for the staff during the carrying out of special operations in the different fields of action in the struggle against drug trafficking.

9. - Two courses in the country, given by DEA instructors for rookie agents and veteran agents in the service.

10. - Outboard motorboats for patrolling the border rivers and preventing the illegal drug trafficking and marketing of the chemical precursors.

11. - Insistence on the need to have at least two of our own helicopters for better success in the destruction of coca crops; surveillance of areas of cultivation now destroyed; detection of clandestine airstrips; raids of clandestine laboratories and timely cutoff

of the illegal coca trafficking.

In this case it would be recommendable to have at least two helicopters with a capacity of 18-20 persons each, in consideration of the transportation of staff to the jungle regions, the provisioning and logistics through these same means of transport.

ECONOMIC SUPPORT ON THE PART OF THE U.S. GOVERNMENT

1. - During the period 1984-1985, the U.S. government, through a bi-national agreement, assisted with $400,000 dollars, to be used mostly in the destruction of the illegal coca crops. With this contribution and as a response to the fulfillment of the obligation by the Narcotics and Interpol Service of the National Police, the results are the following:

1,145,476 coca plants destroyed on 461 hectares of land; 73 clandestine laboratories destroyed; 29 persons arrested, almost all of Colombian nationality. In the field of drug interdiction, 1,626 persons were apprehended; 695,244.70 grams of cocaine were seized; 66,268.30 grams of marihuana and very significant amounts of different pieces of evidence and chemicals that can be observed in the statistics attached to this document.

2. - With the limited aid resources, we feel that satisfactory response has been given on the basis of our institutional effort. We feel that the cost of the last operation for the destruction of illegal coca crops on the edge of the San Miguel and Putumayo Rivers, between the National Police of Ecuador and Colombia, must probably be between 250,000 and 300,000 dollars approximately, the main costs having been the payments for rental of the helicopters, at a rate according to an existing agreement of 100,000 sucres an hour for a BELL-214.

3. - Therefore, in order to meet the objectives proposed and carry out the operations planned we ask that action be considered before the U.S. Government for support of 2,000,000 dollars for fiscal year 85-86; based on the consideration that only coca crops in a small zone of the Northeastern Region have been destroyed, there remaining the destruction of this type of crop in numerous regions of the country with similar climatic conditions. In addition, it should be kept in mind that Colombian drug traffickers, through Ecuadorian drug traffickers, have intensified their activities in the illegal trafficking of cocaine headed for the U.S. through our national territory.

Signed: Milton G. Andrade Davila, Police Colonel of E.M.
NATIONAL DIRECTOR OF NARCOTICS AND INTERPOL

GUSTAVO GALLEGOS BALAREZO, Lt. Col. of Police of E.M.
Chief of Central National Office, Interpol

EFRAIN RAMIREZ ECHEVERRIA, Police Major
Operative Chief of Pichincha Interpol

DR. EDISON AUGUSTO GARCES POCO, General Police Commander, GENERAL COMMANDER of National Police.

- CRS - 4

STATISTICS ON THE INTERPOL AND NARCOTICS SERVICE OF THE NATIONAL POLICE IN THE CONTROL OF THE ILLEGAL DRUG TRAFFIC DURING THE PERIOD OF AUGUST 1984 TO JULY 1985.

ARRESTED:	For trafficking	448	
	For possession	199	
	For consumption	979	
Total of those arrested		1,626	
DRUG SEIZURES:			
	Cocaine	695,244.70	grams
	Marihuana	66,268.30	grams
CLANDESTINE LABORATORIES:		73	
SOWN FIELDS DESTROYED:			
	Coca plants	1,145,476	
	In Hectares	461	
	Nurseries	23,100	
	Coca Leaves	770	kilos
	Coca seeds	1	kilo
CHEMICALS:			
	Caustic Soda [sodium hydroxide]	899	quintale
	Acetone	670	gallons
	Sulphuric Acid	23.5	gallon
	Gasoline	5,079	gallons
	Permanganate	23	kilos
	[Prenzas] Presses [?]	18	
	Sales	13	
	Canoe and engine	1	
	Ether	1	gallon
OTHER FIELDS DESTROYED:			
	Marihuana	3	
	Poppy	1	
MONEY SEIZED:			
	Sucres	1,449.055	
	Counterfeit dollars	386.200	
	Colombian pesos	292,420	
VEHICLES SEIZED:		22	

NOTE: Information lacking for July for some provincial offices of Interpol

* 1 quintal = 46 kilos

Translated by
Deanna Hammond,
CRS - Language Services
9/11/85 - amc

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September 19, 1985

The Honorable Jon R. Thomas
Assistant Secretary of State for
International Narcotics Matters
Department of State
Room 7331
Washington, D.C. 20520

Dear Mr. Thomas:

As you know, the Select Committee Delegation that met with President Febres Cordero of Ecuador was impressed with his recognition of the drug problem threatening his country and his determination to confront it. He felt if given the resources he could eradicate the limited coca production in Ecuador within one year. Also what exists in the way of coca and cocaine processing in the country could be effectively curtailed and Colombian and Peruvian traffickers would be prevented from using Ecuador as a transit route for cocaine smuggling to the United States.

It is our understanding that a few years ago due to the ineffective narcotic enforcement activity by the administration prior to President Febres Cordero, the State Department suspended its narcotic assistance program. In 1984/1985 some limited assistance totaling $400,000 has been started up.

In our meetings with the Ecuadorian authorities on August 7, at Quito, we stressed the need for all countries confronted with an illicit narcotic production and trafficking problem to prepare a plan of action to provide for eradication and enforcement operations on a programmed basis.

We were pleasantly surprised later that same date to be presented with a plan of action by Police Colonel Milton G. Andrade Davila, National Director of Narcotics and Interpol.

The Honorable Jon R. Thomas
Page Two

I am transmitting a copy of that plan, both in the original Spanish language version and a translation. I think it provides a good basis for Ambassador Randon with the assistance of his DEA people in country and such technical support as your office may be able to give to organize a comprehensive plan of action with the Government of Ecuador that would counter with our technical and materiel support the serious tnreat of expanding coca and cocaine production and trafficking.

Sincerely,

CHARLES RANGEL
Chairman

cc: The Honorable Fernando E. Rondon
U.S. Ambassador to Ecuador

The Honorable Elliott Abrams
Assistant Secretary of State for
Inter-American Affairs

The Honorable John C. Lawn
Administrator
Drug Enforcement Administration

Enclosure

ASSISTANT SECRETARY OF STATE
WASHINGTON

October 7, 1985

Dear Chairman Rangel:

Thank you for your letter concerning Ecuador.

We share Ambassador Rondon's enthusiasm about the potential for effective narcotics control under President Febres Cordero's leadership. I might add that our optimism is greatly bolstered by our own high regard for Ambassador Rondon, who was a most able advocate on this issue during his last tour in the Department as Director of the Office of Andean Affairs. He has impressed many here with his quick grasp of the Ecuadoran situation. The Ambassador and I have already discussed plans for expanding the narcotics control effort in Ecuador, which I hope to advance during a trip to Quito in October.

We also have received a copy of the plan of action which you received from the Ecuadoran police authorities and are using it as a guide in discussions with the Embassy.

I will keep you apprised of efforts to increase assistance to the narcotics control program in Ecuador.

Sincerely,

Jon R. Thomas

Hon. Charles B. Rangel, Chairman,
Select Committee on Narcotics Abuse and Control
U.S. House of Representatives
Washington, D.C. 20515

FINDINGS

1. Government Officials believe that Ecuador is no longer just a drug transshipment state; it has, in their opinion, also become a drug producing nation. More than 950 hectares of coca have been eradicated since President Febres Cordero took office in August of 1984. During the past six months fifty coca processing laboratories have been destroyed and 35 tons of ether have been imported to Ecuador. The delegation was informed that there are approximately 400,000 drug abusers in Ecuador.

2. There is a consensus that Ecuador has made considerable progress in combatting drug trafficking since the Febres Cordero Administration took office a year ago. An effort to eradicate coca plantations has been undertaken; the President is totally committed to waging "war" against the drug traffickers—the political will to achieve this objective is present, but better equipment, training and other assistance is needed. Manual eradication of coca plants need to be replaced by more effective techniques, such as aerial spraying and bulldozing.

3. As in the other countries that the Committee visited, Ecuadorian officials realize that the drug problem has gotten out of control and that an international cooperative drug program and commitment to implement that program are urgently needed. In this regard, the Committee delegation urged Ecuadorian officials to increase and intensify cooperation in the Andean region against drug trafficking and abuse.

4. According to Ecuadorian officials, drug money laundering activities are being conducted in Ecuador. One source estimates that $2 million to $3 million are deposited in Ecuadorian banks every two weeks and that money laundering activities in Ecuador are increasing.

5. U.S. embassy and Ecuadorian law enforcement officials do not have a credible estimate of the extent of the illicit production and trafficking of coca. Again, as in the other South American nations visited by the Committee, better drug intelligence collection and enforcement capabilities are needed, including systematic aerial surveys. The Embassy realizes that estimates of coca production are weak and that aerial surveys are needed.

6. Cooperation between DEA and Ecuador's law enforcement agencies have been characterized by government officials as excellent.

7. President Febres Cordero has appointed an army colonel to be a drug czar to coordinate Ecuador's law enforcement efforts and he has signed a decree establishing a National Program Against Drugs, headed by the Attorney General. Some congressional leaders, however, want the drug czar to be under the control of the Attorney General, who is selected by the Congress.

8. Cooperation between the Ecuadorian military and the police is strained. The military does not want to be the lead agency in combatting the drug traffickers. There is also a concern that the military would succumb to the corruptive influence of the traffickers.

9. The National Police is renting helicopters from the army at $1,000 per hour, which is not cost effective. A leasing or purchasing

agreement between INM and the military/national police is needed.

10. The National Directorate for the Control of Illicit Narcotics (DINACTE), which is part of the Attorney General's office, is charged with narcotics enforcement and intelligence gathering responsibilities. The Directorate is regarded as ineffective; it is headed by a psychiatrist and staffed with personnel who do not have narcotics control or law enforcement experience.

11. Ecuador's Congress is planning to legislate in the areas of money laundering, chemical precursors, and the forfeiture of drug assets.

12. Recent joint drug border operations between Ecuador and Colombia revealed that Ecuador's national police need better communications equipment, helicopters to locate the coca plantations and the illegal airstrips and to transport personnel and equipment to remote jungle areas. The Colombians were better trained, equipped, funded and armed; Ecuadorian police carried only pistols. The operation, which served as a training exercise for the Ecuadorians, was characterized as a "logistical disaster" for the Ecuadorian police. DEA communication equipment, which was considered "state of the art" equipment, did not perform well, probably because it was not designed to meet the distances and terrain involved in the operational situations in which it was utilized.

Recommendations

1. A full time State Department narcotics assistance coordinator is not assigned to the U.S. Embassy of Quito. The Economics Counselor works part-time on drug-related problems. Given the severity of the drug trafficking problem in Ecuador, consideration should be given to assigning a full-time narcotics assistance coordinator in the U.S. Embassy.

2. Joint Ecuador-Colombia river patrols should be established. The State Department should encourage bilateral river patrols by these nations.

3. The State Department's Bureau of International Narcotics Matters, working in concert with DEA, should examine how better drug intelligence gathering data can be collected regarding the illicit production of coca leaves, including support for systematic aerial surveys by the host country.

4. The State Department's Bureau of International Narcotics Matters, in consultation with DEA, should arrange for a cost effective way of providing the National Police with a helicopter capability for drug eradication and enforcement.

PERU

Coca leaf produced in Peru is the raw material responsible for about 40 percent of the cocaine entering the United States; of the cocaine, about 15 percent is illicitly produced in Peru. Coca production has been traditional in six distinct areas of Peru totaling eight departments. Under the Single Convention on Narcotic Drugs of 1961 to which Peru is a party, it pledged itself to license all production to limit that production to levels required for legal purposes and to eradicate all unlicensed and wild cultivation. About 12,000

tons of coca are cultivated for domestic coca chewing, a practice Peru also committed itself in 1864 to end. A portion of another 2,000 tons is exported abroad for licit manufacture of cocaine and flavoring extracts. The remainder is used to manufacture coca base and cocaine for legal export in a laboratory operated by the Peruvian coca monopoly ENACO in Lima.

It is estimated that out of a population of 19 million, 1.5 million chew coca leaf, 200,000 smoke coca paste and 100,000 use cocaine. Peru is thought to have the highest per capita ratio of consumption or demand for coca and cocaine in the world, involving 1 out of every 10 in its population.

When this Committee visited Peru in 1983, tons of coca production was the quantity generally given as the level of production. Now the figure is given conservatively as 100,000 tons and as high as 150,000 tons.

Peru has failed to effectively implement a licensing system and take steps to prevent or eradicate unlicensed or illicit cultivation. An exception to this was a 1981 decision which, with U.S. State Department assistance, would enable Peru to proceed against a vast new illicit cultivation of coca that had developed in the Upper Huallaga Valley. The United States made available $15 million in law enforcement assistance for a coca control and eradication program known as "CORAH". About 4,000 hectares have been eradicated to date since April 1983. Unfortunately, there are reports that conservatively in the Upper Huallaga overall cultivation went from about 18,000 hectares in 1983 to 25,000 in 1984 and continues to grow. An agricultural development project known as PEAH also funded in 1981 by the United States AID in the amount of $18 million is designed to provide agricultural research and extension help to increase opportunities for the transition of growers to other crops and has not gotten beyond its initial experimental phase.

Since April 1984, a series of guerrilla attacks has disrupted or periodically shut down the law enforcement eradication and crop substitution programs. It is believed these attacks are sponsored by the major trafficking groups in the region utilizing their own people or Shining Path guerrillas with whom they may have developed an alliance.

On the evening of April 18, 1984, the Mayor of Tingo Maria in the heart of the Upper Huallaga Valley was shot to death by two men in front of his house. He was the President of the Coca Growers Association and his death has been reported as directly related to the production and traffic of coca. That same evening, a group of about 70 armed men attacked the PEAH zonal office in the town of La Morada, about 25 miles northeast of Aucayacu where the PEAH headquarters is located on the west side of the Huallaga River. The facilities at La Morada along with a project financed tractor, farm implements, trail motorcycles, and other U.S. AID financed equipment were dynamited and destoryed. Fortunately, no project personnel were there at the time of the attack.

The same groups then attacked three rice farms near La Morada that were working with PEAH as demonstration farms and destroyed a pickup truck and other equipment. One farmer watched the attack while hiding in the brush nearby.

A different group attacked the PEAH extension facilities at Pucayacu, also on the evening of April 18, and destroyed the facilities and other equipment. Pucayacu is about 18 miles north of Aucayacu on the east bank of the Huallaga River. No one was hurt since the personnel had returned to Aucayacu in the afternoon regarding it as too dangerous to remain at Pucayacu overnight.

Over the weekend of November 17, 1984, a band of about 50 narcotics traffickers armed with submachine guns raided a "PEAH" crop substitution facility at Monzon about 40 miles from Tingo Maria and murdered 19 Peruvian agricultural technicians.

On February 11, 1985, terrorists murdered 25 men, women and children in the same area and in July 1985, an agricultural worker employed in coca eradication was killed in the field by a sniper.

The work done by the Peruvian officials, agricultural technicians, eradication workers and the Guardia Civil Mobile Rural Police Detachment (UMOPAR) has been courageous and worthy of the highest commendation, but it has no impact. This because the traffickers can clear more forest land and plant more coca than the Government forces can eradicate each year. No provision has been made to prevent new planting, not only in the Upper Huallaga Valley, but also in the five other major coca producing areas of Peru.

In July 1984, the Army was brought into the Upper Huallaga to restore order and enable the agricultural and police forces to perform their mission. Unfortunately, the Army restricted Police activity and took the position that the violence and guerrilla attacks had to be brought under control before the coca production and traffic issue could be addressed. Recently, police operations have been resumed. The Committee has learned, much to its dismay, that within three months of the Army moving into the Upper Huallaga Valley, it began to be compromised and deeply corrupted by the drug traffickers.

The Committee arrived at Lima from Quito, Ecuador, during the late afternoon of August 8 and had a two-hour briefing provided by Ambassador Jordan and his Embassy staff. Notwithstanding the failure to achieve meaningful progress through diplomacy and assistance in law enforcement, eradication and crop substitution totaling $33 million since 1981, Ambassador Jordan and his staff were hopeful that the inauguration of President Alan Garcia Perez, a dynamic young leader who has outspokenly committed his administration to fighting drug trafficking and corruption, signals a new beginning to bring the drug situation under control.

The Committee was informed that, in addition to the failure to make tangible progress in reducing coca cultivation in the country, narcotics enforcement efforts had greatly faltered since its last visit, particularly during 1985. For example, in 1983, 4,000 kilos of coca paste were seized; to date in 1985 only 1,000 had been taken. In 1983, 150 kilos of cocaine were seized while in 1985 to date the figure is 15. In 1983, 115 coca processing facilities were confiscated; to date in 1985, 33 have been immobilized.

On Friday, August 9, the Committee met with Agricultural Minister, Mario Barturen, Interior Minister, Abel Salinas, accompanied by the Directors Superior of the Peruvian Investigation Police and

the Guardia Civil. These meetings were followed by a call on President Alan Garcia Perez.

During the afternoon, the Committee met with President of the House of Representatives, Luis Negreiros, Attorney General Cesar Elejalde and Foreign Minister Alan Wagner.

All the officials with whom the Committee met demonstrated a clear understanding of the extent and depth of the coca and cocaine production and traffic existing in Peru and the devastation it is causing at home and abroad. President Garcia, Minister of Agriculture, Mario Barturen and Interior Minister, Abel Salinas, were eloquent, dynamic and strikingly candid in assessing the enormity of the drug problem they have inherited. They impressed the Committee with their determination to confront the problem starting with a reorganization of the Peruvian Investigation Police and the Guardia Civil. This, according to the Minister of Interior, Salinas, was to overcome a serious corruption problem in these two services recently uncovered. He pledged to intensify narcotic enforcement throughout Peru and to work with neighboring countries, particularly Colombia, to curtail the movement of coca paste from Peru. He indicated this cooperation with Colombia was already underway and a major joint operation was about to be concluded.

In July, the Congress enacted restrictions on aid to Peru and Bolivia in the 1985 Foreign Aid Authorization Act, which requested $132.5 million for Peru in 1986.

For Fiscal Year (FY) 1986 the act permits U.S. aid only if the President reports to Congress that Peru has demonstrated substantial progress in developing a plan to establish its legal coca requirements, licensing the number of hectares needed to produce the legal requirement and eliminating illicit cultivation.

For FY 1987, U.S. aid is permitted to Peru only if the President reports to Congress that Peru has developed such a plan and is implementing it.

The act further prohibits development assistance funds in FY 1987 for AID's Upper Huallaga Valley Project unless the President has submitted the report described above.

In meetings with the Ministers of Agriculture and Interior and the President, Chairman Rangel carefully explained the disappointment of the Congress and its constituents, the American people, with the continuing failure of the Government of Peru to make any progress in curtailing coca and cocaine production and traffic. Mr. Rangel said the problem continues to increase rather than diminish in spite of the U.S. having made available $33 million since 1981 in narcotics control assistance. The Congress believes the lack of a plan to bring coca cultivation under control throughout the entire country instead of just the preliminary type of effort being made in the Upper Huallaga and the lack of narcotic enforcement overall is responsible for the narcotic control failure in Peru. For that reason and with the support of constituents, Chairman Rangel stated the Congress has decided to require a plan and its implementation before providing continued U.S. aid. The Ministers of Agriculture and Interior indicated that actually their Ministries were organizing plans now on their own to control the production and traffic of coca and that these plans would likely satisfy the "plan" required to continue Peru's eligibility of U.S. aid. Minister

of Interior Salinas, was particularly confident that the plan he was preparing would satisfy the aid requirements and was not at all sensitive to it.

Minister of Foreign Affairs, Alan Wagner, did express deep disappointment that the U.S. Congress with a nation like Peru, with historic ties of friendship to the United States, should be subjected to threats of sanctions on aid. In addition to the offense to the sensitivity of the Government of Peru, Mr. Wagner thought it could create serious public opinion antagonism to the United States due to the strong feeling of national pride on the part of the Peruvian people.

Ranking Minority Member, Benjamin A. Gilman, responded to Foreign Minister Wagner and explained the reasonableness of the Congressional amendment and the reason for it. He urged Minister Wagner to take a leadership role to explain it to the people to prevent any misunderstanding.

On August 10, Ranking Minority Member, Benjamin A. Gilman, led a working party to Tingo Maria in the Upper Huallaga Valley, accompanied by Ambassador David Jordan. They examined the CORAH eradication and enforcement program and the agricultural development programs of PEAH. Their visit is the subject of a separate memorandum attached to this report.

Also, on August 10, Chairman Rangel led a working party to Cuzco, which is the center of the largest, oldest and most traditional coca production carried out in Peru.

Arrangements were made by DEA for the briefing of the Committee by Colonel Claros of the Peruvian Investigative Police and Colonel Ruiz of the Guardia Civil. The Committee learned that contrary to the situation in the Upper Huallaga region, in the Cuzco area much of the coca production is licensed for the estimated 14,000 ton legal requirements Peru reports. The Committee was informed that the police services do not have the manpower and equipment to determine the growers that are licensed and those that are not.

No action is taken to ensure licensed growers conform to licensing requirements and no eradication is performed against unlicensed cultivation.

In addition to not being able to control coca cultivation, Colonels Claros and Ruiz reported they did not have the resources to engage in effective narcotic enforcement activity in the Cuzco Department. Notwithstanding, they indicated they do the best they can with what they have. During the last six months, 2,500 kilos of illicit coca leaf were seized and 50 kilos of coca paste at nearby Quillambamba. Also, since January 1985, a total of 80 coca paste processing facilities have been destroyed. Small seizures of coca leaf, and paste, cocaine and marijuana have also been made by PIP and the Guardia Civil.

Most disappointing was the fact that Colonels Claros and Ruiz, while they reported great quantities of coca leaf and paste were illicitly produced in the Cuzco Department, had no information nor the capability of obtaining information on how and to whom the coca paste is smuggled. They reported the existence of clandestine airstrips which they suspected are used for aircraft to smuggle out most of the coca paste produced in the department, but they had

no means of intercepting the aircraft or closing down the airstrips. The Colonels also indicated that the Judicial system was slow in bringing drug violators to trial following arrest, that the conviction rate was poor and sentences of those convicted were light.

The Committee found in its visit to Peru the deterioration in the Government's ability to control the production and traffic of coca and cocaine since its 1983 visit deeply disturbing. What is encouraging is the arrival of President Alan Garcia on the scene along with his impressive cabinet.

Meeting With Minister of Agriculture Mario Barturen

On August 9, 1985, at 9:15 a.m., the Committee met with Minister of Agriculture Mario Barturen, who was accompanied by Ramon Cornejo, the Executive Director of PEAH. Minister Barturen welcomed the Committee to Peru and Chairman Rangel in turn thanked him for his expressions of welcome and said that the Select Committee recognized the awesome challenge the production and traffic of coca and cocaine was posing for his government, that they were heartened that the President has from the outset recognized the problem and assigned a high priority to it. Friends can have misunderstandings but that in no way can lessen the deep ties of friendship that have existed historically between the United States and Peru. Chairman Rangel went on to say that selfishly the United States has a vested interest in the success of the Peruvian democracy; they want to support Peru in any way that is in its government's best interest.

Mr. Rangel explained the "Brooks/Alexander" amendment which would cut off aid to countries failing to meet debt payment schedules and the fact that while it might effect Peru it was not directed at Peru. The other amendments that concerned Peru pertained to narcotics and that subject was the purpose of their mission to South America. With reference to the sanction amendments pertaining to narcotics, the Congress was insisting that Peru to be eligible for U.S. aid in FY 1986 prepare a plan providing for phasing out the illicit cultivation of coca and suppressing the illicit manufacture and traffic of coca and cocaine. To be eligible for aid in FY 1987 the plan must be in the process of implementation. Chairman Rangel added that the Committee was very impressed with President Garcia's statement on the coca problem, his commitment to action and that the Committee and the Congress stood ready to support him.

At this point, Chairman Rangel introduced the members of the Committee's delegation and said they were Democrats and Republicans, but were solidly together on the need to bring this terrible problem under control. They may have other political problems with each other, but narcotics is not one of them.

Mr. Rangel said that President Garcia made a great speech on the need for the entire nation to accept sacrifice if the country is to recover and prosper, but he recognized the special needs of the poor; that they must have help. The U.S. Congress knows it is not enough to tell the poor to stop growing coca, they must be told that the U.S. wants to help them.

Chairman Rangel said, "actually our legislation was designed to follow the mandate of the U.N. Single Convention on Narcotic Drugs and for the type of action that the International Narcotics Control Board has urged Peru to take in its 1984 report.

"If you can prepare a plan, we and other countries will support you and come as partners to help."

Minister Barturen said, "the new administration is aware of the many problems that confront it, but most of all they must make progress in advancing the democratic process in Peru." He said his party had assumed leadership as a "people's party." It was founded in 1924 as the Social Democratic Party; parties of similar constituencies and philosophies are now in power in Venezuela, Bolivia, Uruguay, Argentina and Mexico.

Minister Barturen went on to say that party politics have been overcome. Democracy was firmly in place and the new administration was going to confront the moral breakdown of corruption and crime, terrorism and the economic crisis. He said the country had an exemplary performance in the administration of democracy by the Belaunde administration.

Minister Barturen stated that the new administration had begun to rule with the full support of the people and it was ready to overcome the problems facing Peru. He said he appreciated Chairman Rangel's comments on President Garcia; that the President was a young leader who has united Peru in a determination to overcome the terrible problems that trouble it. In his inaugural address he outlined his policy. He wished to follow a plan of action that would enable the Peruvian people to once more have trust and confidence in their leadership.

Minister Barturen stated that the President was determined to meet the foreign debt obligations of the country, but that this would have to be done taking into consideration the need for an adequate response to the nations great social and economic problems. They wanted to negotiate with their creditors while not ignoring the I.M.F. Their limitations should be understood; they thought this had to be discussed with their creditors who need to understand their need to limit payments to not more than 10 percent of their export earnings so they can revitalize their national economy, reduce their social problems, suppress narcotics trafficking and ensure that their people can earn a living.

Minister Barturen went on to say that Peru wanted to work in partnership with Bolivia in narcotics control and that his country appreciated U.S. Government support. "Peru would like the United States to consider greatly expanding its narcotic control activity in the areas where coca is being produced and trafficked; we recognize that in those areas, $2 billion is earned annually by the traffickers who promote and encourage the illicit growing of coca.

"With your help we can counter the aggressiveness of the traffickers. We are aware that with the social reconstruction of our courts and judicial system we must also develop strong action against corruption that has spread to high levels of our government.

"We are being extremely careful in selecting government officials for our new administration to prevent persons associated with traffic from being appointed—we want a model administration

with the moral character and authority necessary to fight the narcotics traffic. Please feel free to ask any questions."

Chairman Rangel thanked Minister Barturen and said, "we wish you every success. If you are not successful we are hurt and that is true of all democracies. We recognize the technical difficulties that are involved. We want to know how you plan to go about bringing the production and traffic of coca and cocaine under control and how we can help if we can establish that our visit will be a success. You are shaking your head yes—I want to stop right here!"

Minister Barturen responded, "what you have said is most reasonable. I thank you for your wishes. The United States and Latin America have a long history of identity with each other. Assistance against narcotics is necessary to continue our struggle. We need to destroy the traffic in Peru, the United States and the world. Your assistance should be expanded worldwide because this is a worldwide social evil."

At this point Minister Barturen introduced Ramon Conejo, the Executive Director of the PEAH agricultural development program for the replacement of coca in the Upper Huallaga Valley. He stated that Conejo is fully knowledgeable on efforts to date to develop coca crop substitution and eradication programs. Minister Barturen added that he would like to have increased support for this activity as well as for the Police to move more effectively against the illicit traffickers.

Ranking Minority Member Gilman said, "we welcome the prompt initiatives taken by your administration against the production and traffic of coca. But two years ago we sat in this same room with a new and vigorous Minister of Agriculture who spoke of proposed actions that never developed.

"We hope you will come up with a control plan that will limit coca production to legal levels and eradicate illicit production. We recognize the demand problem, particularly in your country, but also in the United States and worldwide. To bring coca production and traffic under control, you are going to need determination and will and we understand that you recognize this and we want to support you.

"Chairman Rangel and I traveled to Vienna in February to the United Nations Commission on Narcotics Drugs to participate in developing a worldwide strategy to control narcotics in which Peru also participated. At that conference the 1984 Report of the International Narcotics Control Board was studied. It reported the production and traffic of coca and cocaine had expanded alarmingly in South America and is creating a worldwide problem that it is disrupting countries' economies, and legal institutions and threatening the very security of some states. Europe is now being seriously affected by cocaine and the European Parliament recently expressed alarm at the situation. We continue to call for increased contributions by all nations to the United Nations Fund for Drug Abuse Control as an important way of addressing the problem which is now global. Along this same line in our talks with your counterparts in Colombia and Ecuador they stressed the need for a regional approach that would address it on a regional front or an Andean approach. If we organize and work together we can overcome this terrible problem. What kind of a plan do you have?"

Ramon Conejo, the Executive Director of PEAH was asked by Minister Barturen to respond. He said he had met before with the Committee when it visited Peru, two years ago. He added that he would explain what has been done to date and what the new administration plans to do.

He related that in the Upper Huallaga Valley the "Mafia" is in control. In the last 18 months 19 agricultural growers were murdered and great numbers and quantities of buildings, equipment, supplies and materiel assigned to crop substitution have been destroyed. The narco-traffickers have conducted a brutal psychological warfare effort against programs to replace coca with substitute crops.

Notwithstanding, according to Ramon Conejo, the technicians and workers engaged in this activity felt a moral obligation to continue. The traffickers were stronger in manpower and weapons than the Police. The Government decreed a "state of emergency" and brought in the Army to restore order. This had provided some opportunity for the agricultural development work in crop substitution to get started again.

At this point the meeting with Minister of Agriculture Barturen had to be ended so as the Committee delegation could move on to its next meeting with the Minister of Interior.

Meeting With Minister of Interior Abel Salinas Izaquirre

The Committee delegation next called upon Minister of Interior Abel Salinas Izaquirre at his office where he was accompanied by the Directors Superior of the Peruvian Investigative Police (PIP) and the Guardia Civil.

Minister Salinas welcomed the Committee delegation and Chairman Rangel in turn thanked him and said this meeting was very, very important to the Select Committee.

Minister Salinas said, "your visit will support the decision of the President to act against narcotics, both the production and traffic of narcotics, both nationally and internationally and the scourge it is on youth worldwide."

Chairman Rangel replied that the Minister of Agriculture had already outlined for us the President's position and intentions on bringing the narcotics problem under control. "Your administration has taken a courageous position on the problem you have inherited."

Minister Salinas stated that they were aware of their faults, the Director Superior of the Guardia Civil and Peruvian Investigations Police (PIP) were there and they were working together to bring about a delicate solution to their police problem. "The people want a reorganization of the Police. We are undertaking it under proper legal procedures and with dignity.

"We have the cooperation of the Directors; internal changes have been made. Some removals have already taken place; more are likely to come. We do not want to lose the composure of the police organizations, we want to avoid if we can damaging the prestige and image of those police institutions. The reorganization was not challenged by either house of our Congress. Some modifications

were taken by the Senate and now are expected be acted upon by the lower house."

Minister Salinas mentioned the Rodriguez Lopez case currently in the headlines and reported on radio and television. He said Lopez was the biggest trafficker of coca and cocaine in Peru. He advised that he now has a team of expert investigators handling this case. They were picked on the basis of their honesty and experience. Rodriguez Lopez had corrupted great numbers of important police and government officials in Peru according to Minister Salinas. He said President Garcia had stated that any member of this party that is implicated in this case will be punished and the higher the rank of the individual the greater the punishment will be. He added that 40 members of PIP had been working for Rodriguez Lopez. He had over 300 people in his organization.

Minister Salinas went on to say that, unfortunately, Peru was undergoing a severe economic crisis. "Our infrastructure is inadequate and makes us a poor country. We need U.S. assistance; we want to work closely with DEA and the narcotic agencies of other countries to expand operations. We recognize that there are 135,000 hectares of coca growing in Peru. By eradicating one hectare of cultivation we would eliminate one ton of coca leaf. Ten tons of coca leaf can produce one ton of coca paste or cocaine. I want to emphasize that we are aware of the extent of coca production in this country.

"What we need is economic support so people will have incentives for other crops. Some growers have joined together to fight eradication. They need to be converted into growers of other crops or other types of employment.

"Peru is going to design a program to eradicate coca, but one that will be realistically based on our capability. Assistance for effective economic action must be found to eradicate without rendering the land unproductive for other crops. Most of the land where coca is grown is on slopes. There is a question, can other crops or activities be found for growers? Other kinds of projects have to be found. We are aware of our own national limitations in this area. There is no school to train Ministry of Interior experts in this, we have had some trained in the U.S.S.R."

Chairman Rangel thanked Minister Salinas for his explanation of the current problem and his hopes on how the new Administration and his Ministry would like to proceed. Mr. Rangel added that he wished there was a school to train Congressmen and for that matter Ministers of the Interior, but in any case he could not recommend the U.S.S.R.

Mr. Rangel went on to say, "we recognize the severity of the problem and your responsibility to prevent illicit coca production but also to protect the poor. We wish you well and to tell you we want to work with you. As a democracy, we and all democracies have no alternative. We take responsibility for our legislation involving foreign assistance and assign the explanation of it to our diplomats. We are confident our best interests are worked out. We exempt narcotic control assistance from sanctions. Narcotics must be controlled consistent with your needs. If the poor is targeted without help they will strike against the government. This is not just a question of law enforcement but also one of crop substitu-

tion. This is a major problem and we want to help, but it is very difficult for us because we have not received a plan on how you would propose to bring about a solution. We are not asking for an American plan or a plan that would destroy your land. What we need is political so as we can go back to our people and tell them Peru has provided this plan to move on crop substitution and eradication. It could include how you proposed to eradicate and whether you can use proven chemicals as Colombia is using against marijuana. We need to be able to report movement is underway in preparing a comprehensive plan to bring coca under control.

"You have to recognize it is difficult to explain to our people how we can appropriate money for foreign aid when many in our country are without work. But it's our moral responsibility to do that and we want to work with you, but you are going to have to support us by providing a plan to bring the coca problem under control and begin its implementation."

Minister Salinas said. "I appreciate your clear and open statements and understand the importance of a plan, but we took power less than two weeks ago. We cannot yet offer a concrete plan; we would not be serious if we tried. It will take some weeks to design a plan to cover policy and the resources needed and to reorganize our police institution. The plan would have to be based on real and concrete data. Clean herbicides would have to be suited to the type of land; this would require that experimental programs be carried out. We must fight this scourge at the risk of heavy population suffering. If needed greatly, chemicals will be applied. There is nothing further to say, it is time to translate words into action. The future will show we mean what we say."

Chairman Rangel said, "we have total confidence that when you have your plan we will work to give you the assistance you need."

Ranking Minority Member Gilman pointed out that the U.S. Government with strong Congressional support has provided considerable narcotics control assistance to Peru. Eleven million dollars from 1978 to 1984 and $4.5 million in 1985. If Peru would organize a strong effort, the United States Government and the Congress would support their enforcement efforts. Mr. Gilman reiterated that the Brooks amendment applied to all countries and Peru should not feel it was directed at it and allow such feeling to interfere with their narcotics control cooperation.

Mr. Gilman went on to say that each time he comes to Peru he visits the Upper Huallaga Valley. "Together we attempted to establish a model program in agriculture development crop substitution and enforcement and worked to appropriate about $33 million for implementation. Because of difficulties which limited the operations of the project only about half of the funding has actually been committed. This has been disappointing. Not only do we think it is important for Peru, but we had and still hope it can serve as an example to other nations on how to phase out illicit narcotic crop cultivation. The program provides for all types of social and economic assistance to growers. Of course we recognize the narcoterrorist acts and how these contribute to the lack of meaningful progress. The army was brought in to restore public order and security but then we were told they restricted police operations against coca until such time as they reestablished public order. I

would hope you can bring closer cooperation between the police and army and tell us the current status of cooperation between those two services."

Minister Salinas replied, "we know about this breakdown in cooperation between the army and police. When security is threatened and there is an emergency, the police and military command is assumed by the army. In such cases it is the responsibility of the army to develop a strategy to fight terrorism which is designed to destroy Peru and democracy. The army's priorities are to fight first terrorism and secondly narcotics.

"The army is aware that the interests of narcotic traffickers and terrorists are the same and this is very dangerous. Terrorism and narcotics oppose government."

Representative Towns asked, "have you thought of having a regional police plan?" Minister Salinas responded, "yes and we have already started working with Colombia. Also President Garcia in his inaugural address expressed an intention for a regional cooperation and joint strategy. We plan to establish cooperation with our neighbors Chile and Ecuador as we have already done with Colombia. Our plan will provide for regional cooperation."

Representative Larry Coughlin informed Minister Salinas that President and Mrs. Reagan have made the problem of drug abuse a high priority. Mr. Coughlin said the Administration asked for twice as much aid for Peru this year than last year. But because of strong political feeling over the cocaine problem to enact the aid legislation the Congress had to provide for withholding half of what was appropriated unless the President can certify that there is a plan to bring coca under control and subsequently that it is being implemented.

At this point the meeting with Minister Salinas was concluded to enable the Committee to proceed to meet the President. In conclusion, he indicated that in his view the planning his staff was doing to address the production and traffic of coca and cocaine would provide the basis for the plan Chairman Rangel was asking for.

Meeting With President Alan Garcia

Following a brief private greeting of Chairman Rangel and Ambassador Jordan, President Alan Garcia met with the entire delegation. After warmly greeting the group he described the challenges he faced as the newly elected President and listed his three priorities as combatting subversion, reactivating the economy and bringing about a remoralization of the nation through a campaign to eliminate corruption and drug trafficking. In furtherance of this he said he has already initiated a reorganization of the police services to improve efficiency and performance and to restore public confidence. He went on to say that he will take "draconian measures" against drug trafficking and abuse and mentioned having proposed legislation to punish possession and use of drugs as severely as trafficking. He again declared that Peru would not export poison and that he would join with President and Mrs. Reagan in protecting his children and all our children from the evils of drugs.

He indicated that drug production had to be brought under control. Unfortunately, Peru has lacked sound agricultural develop-

ment and its industrial base is artificial. We have serious economic problems and we must try to renegotiate our foreign debt. He thought some of the banking practices exercised by U.S. banks with regard to Peru might not meet the standards of banking law as applied in the United States. He emphasized that he wanted a solid economic and political relationship with the United States. He wanted to revitalize the banking and currency systems of the country and reiterated this was why renegotiations of the debt were needed in order to limit the payments to manageable levels to make his reorganization possible. He added "our old friend Roosevelt would have done the same."

He said he was moving to reorganize the country's political institutions; this was most important of the narcotic traffic and corruption now affecting the country is to be controlled. He said he had good talks with President Betancur of Colombia at his (Garcia's) recent inaugural; that he pledged to work with the Colombians and this cooperation has already been started.

Ranking Minority Member Gilman said, "the Committee was elated to see what you are already doing. Drug traffickers are making war on us, it is eating away at our society. We must find a way as friends and allies to fight the war successfully. The congress has already responded very favorably to Peru's needs by doubling the amount of aid for 1986 over 1985. Our joint narcotic control assistance project in the Upper Huallaga Valley is our great hope for success. Ambassador Jordan is one of our best; he is here to work with you and this Committee wants to help you and Ambassador Jordan in the important work you have ahead of you."

In conclusion Chairman Rangel thanked President Garcia for taking the time from his busy schedule to meet with the Select Committee delegation. He wished the President every success in maintaining the reconstituted democracy in Peru, in revitalizing the economy and bringing the illicit production and traffic of coca and cocaine under control. He reassured the President that he could count on the support of the Select Committee and the Congress.

Meeting With President Luis Negreiros of the House of Representatives

President Luis Negreiros of the House of Representatives welcomed the Select Committee delegation and said, "consider this house as your home." He said, "there is a special satisfaction in receiving you at this time as we change our government. We have a new government both in the legislative and executive branches.

"We have a new spirit of change, especially in social and economic policy and the way the state will be led under constitutional principles and rule of law. This leads me to the purpose and objectives of your distinguished visit, to advance the struggle against public immorality, particularly narcotic trafficking and to reaffirm public morality and the ideal of all parliamentarians which is human rights and the physical and moral integrity of all human beings."

House President Negreiros went on to say that he had already discussed the objective of the Select Committee visit with Ambassa-

dor Jordan and the House of Representatives was considering establishing a similar non-partisan investigative commission. The objective of the police reorganization underway was to strengthen the ability of a legally constituted government to respond to crime, particularly the narcotics traffic.

"There is a great conscientiousness in the legislative branch to carry out the principles I have mentioned. This provides the right conditions for progress." House President Negreiros concluded by saying he hopes the Committee had success in its study mission.

Ranking Minority Member Gilman thanked House President Negreiros for his welcome and for receiving the Committee, "that we legislators understand each other." He added, "we all deal with similar problems in our countries. Our problem, which is a world problem has brought us to Peru. It, of course, concerns our efforts to control narcotics. We are happy to hear about the proposal to form a narcotics committee in your House of Representatives. We learned in Colombia and Ecuador that they are taking the same initiative. Together we can work to make our governments more effective in narcotic control and we hope we can maintain liaison with each other."

Mr. Gilman then introduced the delegation to Mr. Negreiros and told him how favorably impressed the delegation was with the meetings with the Ministers of Agriculture and Interior and the President. They had recognized the problem and already launched initiatives which demonstrated leadership and courage.

Mr. Gilman also commended the start up in regional cooperation and suggested to House President Negreiros that they should review existing narcotic control laws with a view to strengthening them to fight the illicit traffic more vigorously.

Mr. Gilman added that it is heartening to learn of the intensified narcotic control measures the Government of Peru is embarking upon. "We will be helpful to you;" he said, "we are allies in an important war."

Representative Guarini said, "we are grateful to meet with you and work together to confront this problem. Our free and open societies make narcotics suppression efforts difficult, trafficking now threatens the very fibre of our society." Mr. Guarini went on to say, "we have sought to involve the private sector and it has committed itself to this fight. Do you do the same in Peru and is it workable here?"

House President Negreiros replied that up until now they had not involved the private sector, but it seemed to him that it would be an important initiative and that "we will consider it. Our efforts are designed to include society as a whole to bring about a solution. Everyone must be involved."

Representative Lent said "I will not take your time, I second the statements of my colleagues, Ben Gilman and Frank Guarini, on the understanding your government has demonstrated on the extent and seriousness of the problem and the measures you are about to take in responding to it."

Representative Coughlin said, "we applaud and support you in your efforts and to tell you that we have sent you the very best in the person of Ambassador Jordan to work with on a daily basis to address this problem. Our President, like your President, has as-

signed a high priority to narcotic control and you can count on the support of President Reagan and his administration in your important work."

Meeting With Fiscal Cesar Elejalde Estenssorro

On August 9, 1985, at 4:30 p.m. the Committee delegation met with Fiscal Cesar Elejalde Fiscal of the Nation a position combining the roles of ombudsman and attorney general, or chief prosecutor. Dr. Elejalde is the only official the Committee delegation met with on their visit in August 1983 when he was the Deputy Fiscal, who is still in office.

After greeting the delegation, Dr. Elejalde described himself as a man totally occupied and committed in his work to fighting against drugs.

Mr. Gilman said that "we are very pleased with what we hear. We have come to help your narcotics control efforts in any way we can."

Dr. Elejalde said, "thank you, we are not able to fight on alone. We are short of the manpower and equipment necessary to fight the problem effectively. We have had some successes. Recently an explosion exposed a most important illicit cocaine manufacturing organization in Peru doing 15 to 20 percent of all the cocaine traffic carried out in the country.

"I personally took command and assigned the Guardia Civil to take charge of the investigation. We now have 80 men assigned to the case. They are being assisted by DEA. We are pursuing the investigation intensively to implicate all who are involved and to uncover the extent of this organization. The Peruvian Investigative Police (PIP) will also participate, but they are not equipped to handle it. The Minister of the Interior has assigned General Munos and General Suarez of PIP. They are picked men to avoid the corrupted people in PIP. I reiterate this is a very big organization." (The case Dr. Elejalde was referring to is the Rodriguez Lopez case which the Minister of Interior had also described and which had heavy media coverage during our visit to Lima.)

"The real problem," according to Dr. Elejalde, "is cocaine consumption in the United States and Europe and other developed countries." He felt there was a need to develop the areas where coca was being produced. He expressed concern that coca production continued to increase and spread "because it is an easy crop to produce and very profitable." Dr. Elejalde mentioned that the United Nations had been considering opening an office in Lima to furnish technical assistance to Peru in bringing coca production under control. However, this did not materialize (it should be noted that the U.N. Division of Narcotic Drugs assigned an expert to Lima during the period 1964–66 to assist the government develop the necessary laws and system to bring coca production under the provisions of the Single Convention of Narcotic Drugs of 1961. This was accomplished, but to date the government has never implemented the coca control laws and regulations).

Ranking Minority Member Gilman told Dr. Elejalde that the problem of coca and cocaine production and trafficking in Peru was

complex and widespread and that the Select Committee recognized that Peru needed help to bring it under control.

Dr. Elejalde said that under the international narcotic conventions Peru was obligated to furnish certain statistical data to the United Nations on an annual basis. Peru cannot effectively comply with this because it does not have a computer. They have asked the U.N. to furnish them with a computer. (Actually Peru has no system to collect the data that would be fed into the computer to compute statistics. The U.N. requirement to collect this data has been in force for decades.)

Dr. Elejalde went on to say that their lack of records prevented the government tracking the illicit traffic effectively. He explained that his office reviews and supervises each and every case of narcotics trafficking prosecution in the country.

Mr. Gilman asked "what percentage of narcotic arrests result in conviction?" Dr. Elejalde replied that on an annual basis they convict between 20 and 30 percent.

Representative Guarini asked, "are the traffickers punished severely or are they getting off lightly?" Dr. Elejalde said, "the judges are not severe, some because of corruption. We have great difficulty in convicting the big shots because the followup investigations by the police after an arrest and seizure is made and obtaining the evidence for the instructional judges needed for conviction are inadequate and the defendants frequently go free. This is particularly true in the San Martin area of the Upper Huallaga Valley."

Mr. Guarini asked if the courts were corrupt. Dr. Elejalde replied, "yes, I think so. Narcotic convictions are declining." Mr. Guarini asked, "is the narcotic problem getting worse?" Dr. Elejalde replied, "Yes, it probably is increasing, however, the new administration has taken more of an initiative in addressing the moral issue of corruption than the past administration. The new administration has displayed attention and action on the problem of drug trafficking and the moral breakdown resulting from corruption. The administration is directing its efforts at a moral reformation of the judicial system." A previous effort at this failed and Dr. Elejalde said he was in the process of redrafting judicial reform legislation.

Representative Coughlin asked, "how much do you spend annually on narcotic enforcement and can you investigate banks for possible money laundering or narcotic trafficking currency activity?" Dr. Elejalde replied that it was very difficult to figure out what the government spends in narcotic enforcement each year. As to investigating currency transactions in banks related to narcotic trafficking he said his office was only 4 years old and has only been involved in enforcement for 3 years, that it was hard to develop the investigative competence necessary to investigate banking transactions in just 3 years.

Representative Towns asked, "what impedes your efforts to prosecute narcotic violators?" Dr. Elejalde said, "the ineffectiveness of our police to conduct competent and proper investigations in cooperation with our prosecutors. Now prosecutors are becoming more involved to develop the evidence necessary to convict. But a major problem is that in some centers of illicit trafficking, for example

Iquitos on the Amazon route into Colombia, police and prosecutors will not serve because of death threats."

Dr. Elejalde reiterated his concerns with the extent of the problem of the production and traffic of coca and cocaine and that he had now been in office 6 months as the national prosecutor after a few years as the deputy and had a year and a half to go on his term. Mr. Gilman wished him success and the best of luck in his work and said the Committee appreciated his recognition of the problem and the work they were doing.

Meeting With Foreign Minister Alan Wagner

At 4:30 p.m. the Committee delegation called on Foreign Minister Alan Wagner who welcomed the group. Ranking Minority Member Gilman told him of the excellent meetings we had had with the President, the Ministers of Agriculture and Interior and the Fiscal as well as the President of the House of Representatives in promoting mutual assistance in narcotic control.

Minister Wagner said, "then you have heard our national commitment to control narcotics. In addition, I am taking steps in the Foreign Ministry to coordinate with the other concerned ministries of our government on the narcotic problem. This will help our work on the problem with the United States."

Congressman Gilman said, "we are pleased to learn that the House of Deputies will also establish a committee to help coordinate its efforts in narcotics control. We were elated to learn of the discussion that President Garcia had with President Betancur of Colombia on developing cooperation enforcement activity."

Minister Wagner said, "cooperation will be good. It is a matter of mutual interest, social and economic. Also we are developing plans to control the problem, to eradicate and to educate. We are considering steps to punish possession of narcotics in any amount and to punish trafficking severely." He went on to say that in the Upper Huallaga Valley in 1984, despite terrible bloodshed, they persisted in their eradication efforts and continued to make progress.

Minister Wagner said, "however, I would not be sincere if I did not say how discouraged we are by the amendment you are considering adopting that would place sanctions on aid to Peru if certain achievements in narcotics control are not met. If the amendment is approved it will hurt the new administration. It will result in headlines in every newspaper in Peru critical of the United States."

The Foreign Minister was informed that the amendment had been adopted and that the President had signed it into law.

Mr. Gilman explained the reasonableness of it to Foreign Minister Wagner and why it was enacted. He urged Minister Wagner to take a leadership role in explaining it to the people to prevent any misunderstanding.

Mr. Gilman went on to say that, notwithstanding the difficulties in coping with the problem of coca production and traffic in the Upper Huallaga Valley, which he recognized, the progress of that project over the past 4 years had been disappointing. It had been hoped it would have been a model program.

Minister Wagner again expressed disappointment with the U.S. Congress, that a nation such as Peru with historic ties of friendship

to the United States should be subjected to threats of sanctions on aid.

Mr. Guarini said, "we had learned at our meetings that the Government of Peru was well along in preparing the type plan required by the amendment and that the government should have no difficulty in complying with the amendment." Mr. Guarini said he hoped Minister Wagner would have input into the preparation and implementation of this planning. He also said that in the delegation's recent visits to Ecuador and Colombia, the government leaders indicated a desire for more cooperation with Peru. Foreign Minister Wagner said, "yes we share that view." And went on to say, "demand in the United States is the problem. Peru and Bolivia are old traditional producers, but in recent years production has increased dramatically to satisfy the market in the United States created by the demand.

"Our legislation to bring coca production under control will focus on public attitudes. The problem and its solution is political rather than technical. We will do our best and public opinion will have to be taken into consideration. Most important is that there is a national commitment to bring this problem under control."

Minister Wagner said Peru supported the initiative taken by the United Nations Secretary General Perez de Cuellar calling for an international conference in 1987 to consider the problem of illicit narcotics production, traffic and abuse.

Mr. Gilman mentioned that Peru does not contribute to the United Nations Fund for Drug Abuse Control (UNFDAC). Minister Wagner said, "That is a good point. We will do what we can, but a meaningful contribution may be difficult given our financial crisis."

Mr. Gilman said that the Committee delegation was going to take field trips the next day to the Upper Huallaga Valley and to Cuzco for on-site visits and briefings by the individuals and units involved in crop substitution, eradication and illicit manufacture and trafficking suppression.

The Foreign Minister said their policy is directed to cooperating fully with the United States on the problem and reorganizing the police services to carry out more effective narcotics enforcement. "We are going to intensify our narcotics control activities both nationally and internationally," he said.

Representative Guarini stated, "We were here 2 years ago in this very room. We have increased our efforts greatly in the United States in manpower, equipment and funding to fight the smuggling and traffic of cocaine from South America. We have organized special task forces, increased the use of our military, made great numbers of important arrests, enormous seizures and convicted thousands of traffickers. Yet the traffic directed at us continues unabated.

"We have had a tremendous reception by your government and we are deeply impressed and encouraged by the actions you are proposing and the plans you are preparing since you took office less than two weeks ago.

"In the two years since we have been here no progress has been made, certainly in the criminal justice area, there is just no effective narcotics enforcement resulting in the arrest, prosecution and

incarceration of narco-traffickers. The Fiscal candidly told us the problem has gotten worse. You have a long way to go, I think your government recognizes that, but I want you to know our government is prepared to travel that road together with you. Congratulations on your appointment as Foreign Minister. We are very happy that your experience permits you to understand the dimensions of our problem and the pressure placed on us by our constituents for a solution. I think we would agree that only through working together are we going to solve a problem that is tragically affecting both our countries."

Minister Wagner replied, "Yes, thank you for your statement. We, too, are happy with your understanding of our situation and most importantly that we are partners in democracy. Since you have an understanding of our domestic system you can imagine the reaction caused in Peru by the Brooks-Alexander amendment which triggered sanctions on aid because Peru had inadvertently been late in meeting a $123,000 interest payment. We had no warning of this, the sanctions were publicized before we knew anything. I was in Trujillo, a city in the north of Peru, at the City Hall and reporters were demanding comments and I had no idea what the issue was."

Mr. Coughlin said he was encouraged by what he had learned in this visit to Peru on the proposals and plans of the new government to bring the production and traffic of coca and cocaine under control.

Mr. Towns congratulated the Foreign Minister on his appointment and said that it was gratifying to have someone of his experience in this position. Mr. Gilman said, "we recognize how complicated and difficult the problem is, but we must remember that it has killed cabinet ministers and is killing our children, we have no alternative, but to work together to bring it under control."

Briefing by Peruvian Investigative Police (PIP) and Guardia Civil at Cuzco

On August 10, the Committee delegation, led by Chairman Rangel and which included Messrs. Guarini, Towns, Coughlin, Lent and Ireland, travelled to Cuzco. This is the heaviest coca producing area in Peru responsible for 40 percent of the national crop. It was briefed by Colonel Claros of the Peruvian Investigative Police (PIP) and Colonel Ruiz of the Guardia Civil. Special Agent Fred Villareal of DEA organized the briefing and acted as interpreter.

Colonel Ruiz welcomed the Committee to Cuzco on behalf of the Guardia Civil and the PIP and said that he hoped they would have a pleasant and informative visit to Cuzco. He said he knew of the interest of the Committee in this worldwide problem of narcotics and that the PIP and Guardia Civil have the responsibility of combatting narcotics trafficking. In the Cuzco region narcotics trafficking is the most serious problems confronting the authorities. The area around the city of Quillambamba is heavily cultivated in coca and there are many sites set up to convert coca leaf to coca paste in that area. Seizures are regularly made. During the past 6 months 2,500 kilos of coca leaf have been confiscated. "Together with PIP," Colonel Ruiz said "the Guardia Civil develops narcotics

intelligence information relative to illicit coca and cocaine manufacture, trafficking and smuggling."

Colonel Carlos who is the Chief of Staff of PIP in the Cuzco area said that the Quillambamba area was a major coca paste production center. Some large seizures were made and recently 50 kilos of paste were taken. Also a coca paste conversion facility operated by a Colombian was seized along with 80 kilos of paste.

Since January 1985, 80 coca paste conversion pits have been seized in very inaccessible areas. A clandestine laboratory to maunfacture cocaine was also seized along with a large quantity of coca paste and cocaine.

Colonel Carlos said the coca leaf had been traditionally cultivated for chewing, but most of what is grown and traded today is for processing to coca paste and cocaine. They seized 80 to 100 kilo shipments of leaf in Cuzco coming from Quillambamba by train as unclaimed baggage. In Cuzco drug trafficking involves coca leaf, coca paste, cocaine and marijuana and in cooperation with the Guardia Civil arrests and seizures involving these substances are regularly made.

Chairman Rangel thanked Colonels Ruiz and Claros for sharing their time with the Committee and for their candid briefing on the extent of coca production and traffic in the Cuzco region and their lack of manpower and resources to cope with it. Mr. Rangel asked how many men were working narcotics enforcement.

Colonel Ruiz said of the 500 men assigned to the Cuzco region by the Guardia Civil, 40 to 50 were assigned to narcotics enforcement.

Chairman Rangel asked if the military had been brought in to support narcotics enforcement and Colonel Ruiz said no. Mr. Rangel asked if the Guardia Civil encountered any physical or armed resistance to their narcotics control efforts and was told no. Colonel Ruiz said the Guardia Civil needed five times more manpower than it had then. Chairman Rangel asked if there was any indication that additional manpower would be provided and was told no by Colonel Ruiz.

Mr. Rangel asked, "when a seizure of coca leaf is made at a check point, how does the Guardia Civil know whether that leaf is legal or illegal?" Colonel Ruiz replied that a grower licensed by ENACO (the Peruvian Government Coca Monopoly) would have documents demonstrating he was a legal grower and was presumedly transporting the leaf to sell to the ENACO coca leaf purchasing facility.

Chairman Rangel then asked what percent of coca leaf encountered at check points was legal and what was illegal. Colonel Ruiz said he didn't know. He added that in 1980 ENACO organized a "coca team" in the region to oversee the licensing of legal coca cultivation and limiting the area of cultivation by each license holder to 5 hectares. Colonel Ruiz went on to explain that the licensing and control of coca cultivation was an ENACO responsibility and that the Guardia Civil and PIP had no responsibility for legal coca control.

Chairman Rangel said he could understand why ENACO would maintain control over the licensed cultivation of coca and that was not a police responsibility, but he wondered how in the field the Guardia Civil knew what was legal or licensed cultivation and

what was unlicensed or illegal cultivation. Colonel Ruiz said there was no way for the Guardia Civil or the PIP to know what was legal and illegal coca cultivation because ENACO had the list identifying the licensed legal cultivation.

Chairman Rangel then said, "If that is the case and you cannot determine what is illegal cultivation, you obviously take no action against illegal growers and their cultivation. This would mean that illegal coca growers should have no fear of ever being arrested or having their coca crop eradicated."

Colonel Ruiz replied that since he doesn't have the manpower or equipment to effectively determine what cultivation is legal or illegal or to eradicate what is illegal he concentrates his limited manpower and equipment on seizing and destroying coca paste conversion pits and intercepting the illicit transportation of the coca leaf from growers to the processing pits.

Representative Guarini asked with reference to the seizures of the 80 coca paste conversion pits since January 1985, how many arrests had been made. Colonel Ruiz replied that in one case, 8 people were arrested and in another case involving a laboratory producing cocaine another 8 people were also arrested and 1.5 kilos of cocaine seized.

Mr. Guarini asked what had happened to the people arrested. Colonel Ruiz responded that in the past some of the people arrested for similar violations had been sentenced to prison. However, the judicial system is very slow and none of the people arrested during 1985 have been sentenced yet.

Mr. Guarini asked if PIP did all the investigative work. Colonel Claros replied, "Yes, but we also work with an instructional judge." Mr. Guarini asked, "where does a grower go to obtain a license to cultivate coca?" Colonel Claros said, "he goes to ENACO and declares the quantity in hectares of coca bush he intends to cultivate."

Mr. Guarini asked what could be done. Colonel Ruiz said that "we are doing the best we can. Following an arrest the investigation is assumed by the Fiscal (prosecutor). The follow up investigation to prepare the case for trial usually takes about four months while the defendant is held in confinement. When the Fiscal's investigation is completed the defendant is tried and either convicted and incarcerated or acquitted."

Mr. Guarini said, "you do not seem committed to stamping out coca and cocaine production. Do you have a plan?" Colonel Ruiz replied, "No we have no plan, we lack the manpower and equipment to go out and attempt to bring illegal coca cultivation under control."

Chairman Rangel asked "are you authorized to eradicate now?" Colonel Ruiz replied, "Yes, but we have no transportation equipment to get us out to the fields. We would appreciate it if DEA would furnish equipment to enable us to eradicate illicit cultivation. We can't do it on our own."

Representative Coughlin asked, "how was the coca paste and cocaine transported out of the Cuzco region?" Colonel Ruiz replied, "by aircraft operating out of clandestine airstrips. We lack the aircraft needed to detect and destroy the clandestine landing strips."

Mr. Coughlin asked, "why can't you eradicate some of the coca in the Cuzco area?" Colonel Ruiz replied that 80 percent of the farmers in the Cuzco region chew the coca leaf as an appetite suppressant instead of following a normal diet because of a lack of food. He added that chewing of coca instead of following a proper diet shortens their lives.

Chairman Rangel asked, "hasn't the government taught the farmers how to grow food crops and livestock so as to properly feed themselves in place of chewing coca?" Colonel Ruiz said, "the problem of coca chewing as practiced today in Peru goes back to policies and practices that developed in the 19th Century and historically back to the Inca period."

Mr. Coughlin asked Colonel Ruiz what would be needed to enable him to effectively detect and destroy the coca paste conversion pits. Because of the remote and inaccessible areas where they are located, Colonel Ruiz said the most important tool would be helicopters. In the Cuzco region he would need 3 to be able to carry out an effective search and seizure program against the coca paste pits.

Mr. Towns asked, "with your limited manpower, what can you accomplish even with equipment?" Colonel Ruiz replied that air and ground transport equipment would significantly enhance the effectiveness of existing manpower and encourage the assignment of additional manpower.

Mr. Towns asked, "are your men trained in this type of narcotics enforcement work?" Colonel Ruiz replied, "yes, they have their regular police training and narcotics enforcement training is provided by DEA."

Colonel Claros described the difficulties of attempting to suppress illicit coca and cocaine manufacturing and trafficking in the area. He related that in one town everyone is a trafficker. Any stranger that shows up is immediately intercepted. Recently 10 PIP agents were attacked in this town; one of their men was killed. The PIP was intent on conducting a raid on the extensive operations that these narcotic traffickers were carrying out in this town to manufacture, store and traffic in coca paste and cocaine. The PIP were driven off by the armed resistance of those traffickers.

Representative Lent asked, "with reference to your checkpoint operations where do you find most of the narcotics seized?" Colonel Ruiz replied that most is found in motor vehicles and carried by people on motorcycles and bicycles. He said the individuals involved are arrested and the drugs and the vehicles are confiscated. Colonel Ruiz volunteered that crop substitution for coca is the answer to this problem.

Mr. Lent asked, "why do smugglers bring the drugs into Cuzco?" Colonel Ruiz replied that Cuzco was the gateway to the outside via road, rail and airline. He also said, "there is a consumer market for drugs also in Cuzco, but most of the drugs brought to Cuzco are for trafficking outside the area."

Mr. Lent asked if they had the investigative capability to follow narcotic intelligence information to the coca paste and cocaine laboratories. Colonel Claros replied that they did, but limited manpower and the lack of transportation and other investigative equipment hampered their efforts in this area. Nevertheless, they did the best they could with what they had and periodically they were

successful in seizing a cocaine laboratory. He reiterated that they had seized 80 coca paste sites since January 1985 in the area.

Chairman Rangel concluded the briefing by thanking Colonels Ruiz and Claros for the excellence of their briefing and sharing with the Committee the extent of the problem of coca and cocaine production and traffic in the Cuzco region. He agreed with them that growers had to be helped to produce substitute crops in place of coca, that coca not needed for legal requirements be eradicated and that the Guardia Civil and PIP needed substantial increases in manpower, transportation and investigative equipment to enforce the laws of Peru against the illicit production and traffic of coca and cocaine in the country now causing serious cocaine trafficking and abuse problems.

FIELD VISIT TO THE UPPER HUALLAGA VALLEY

On August 10th, 1985, Rep. Benjamin Gilman, joined by Ambassador David Jordan, led a delegation to the Upper Huallaga Valley to review the application of the 1979 Gilman Amendment to the Foreign Assistance Act of 1961 that links economic development assistance to narcotics control efforts.

The group included Elliott Brown, Minority Staff Director of the Narcotics Select Committee; John Sanbrailo, Director of the Agency for International Development (AID) program in Peru; John Crow, of the State Department's International Narcotics Matters (INM) Narcotics Assistance Unit; Fred Coral, Director of Peru's INM-funded Coca Eradication Agency (CORAH); Ramon Cornejo, Director of the AID-funded Peruvian agricultural development and crop substitution project (PEAH); James Gormley, representing INM; Eugene Castillo, of the Drug Enforcement Administration (DEA); Frank Dahl of AID; and Col. Thomas Crawford and Lt. Col. Bertram G. Hahn of the Air Force.

Our government's efforts to control coca production in Peru are centered in the Upper Huallaga Valley, north of Lima, on the eastern slopes of the Andes, in the vicinity of Tingo Maria, where most of the illicit coca is being cultivated. In 1981, the U.S. approved a five-year $15 million INM Coca Eradication and Enforcement Project and an accompanying $18 million AID five-year Rural Development Program to implement the strategy of coordinating support for enforcement and eradication with AID rural development assistance.

Since the Narcotics Select Committee's visit to the Upper Huallaga Valley two years ago, the region has been a scene of increased violence and terror, culminating in the murder of the Mayor of Tingo, and on three occasions the murder of 45 men, women and children, including 20 CORAH crop eradication specialists. Fear, terror and intimidation have gripped the region, thereby undermining efforts to eradicate the illicit production of coca and slowing the campaign to encourage farmers to grow alternative cash crops. Last August, the Upper Huallaga Valley was declared an Emergency Zone. An army force of 1,500 soldiers was deployed to Tingo Maria, the major illicit coca trafficking city in the region. The military's mission is to combat the terrorist activities of the

Maoist Sendero Luminoso (the Shining Path) and other terrorist groups.

Coca control and eradication agencies at work in the Upper Huallaga Valley

UMOPAR.—An INM-funded Mobile Rural Police Detachment created in 1981 by the Guardia Civil and headquartered in Tingo Maria. The Guardia Civil is a 28,000 strong law enforcement agency responsible for crime prevention and criminal investigation of misdemeanors. UMOPAR, a para-military unit, is responsible exclusively for coca interdiction and control.

CORAH.—An INM-funded Peruvian Coca Eradication Agency responsible for the eradication of coca production in the Upper Huallaga Valley.

PEAH.—An AID-funded Peruvian agricultural development and crop substitution project.

ENACO.—The Peruvian Government owned and operated National Coca Company responsible for licensing, purchasing, processing and marketing coca leaf for medicinal and other legitimate purposes. ENACO is not regarded as effective in controlling legal coca production. It lacks leadership and its system of issuing and administering coca licenses is ineffective.

The Upper Huallaga Project Agreement, signed in September 1981 between AID and the Government of Peru, provides $18 million ($15 million in loans and $3 million in grants) over five years (1982-86). The AID project started in April 1983 and its termination date has been extended to 1986. More than half ($9.5 million) of the approved funds have been disbursed. The Government of Peru has agreed to provide $8.5 million in counterpart funds.

The Gilman delegation visited Aucayacu, the area where in November 1984, 19 crop eradication specialists were murdered and where on February 11, 1985, referred to as the "Night of Terror", terrorists reportedly murdered 25 men, women and children. On July 15th, 1985, a crop eradication specialist who strayed too far from his group was gunned down by narco-terrorists.

While at Aucayacu, the delegation visited the crop eradication program camp and agricultural development project and was briefed by CORAH and PEAH. The delegation also visited a special crop substitution project at Rio Firo, a crop substitution project. At Tingo Maria, the Gilman delegation was also briefed by the Deputy Commander of UMOPAR, Major Savalius.

Visit to the CORAH crop eradication camp at Aucayacu and to Pucayacu (the eradication sites)

1. The CORAH eradication camp consists of 952 workers, including 813 eradication workers, 16 topographers, 50 UMOPAR security personnel, and other support staff.

2. From February to July of 1985, CORAH has eradicated 1,306 hectares of coca or 64 percent of its total objective (2,050 hectares). CORAH has been unable to meet its target due to intimidations and pressure by local citizens, growers and traffickers, and to the growing violence such as the February 11th massacre of 25 men, women and children. The political-military command in the Valley has hampered CORAH from pursuing its eradication goals by re-

stricting access to certain coca producing areas that it has deemed as too dangerous. Eradication efforts have also been hampered by the breakdown and lack of maintenance of vehicles traveling over rugged secondary and tertiary roads. However, despite these obstacles, during July of 1985, CORAH eradicated 538 hectares of coca, exceeding its goal of 500 hectares by eight percent. In 1983, CORAH eradicated 703 hectares; in 1984, it eradicated 3,124 hectares. As of July 1985, a total of 5,143 hectares of coca have been eradicated; a target of 6,000 hectares has been established for 1985. Ironically, we heard reports that the new government of President Alan Garcia, not necessarily the President, has criticized CORAH for going too fast in its eradication campaign.

3. Eradication specialists indicated that they need 5–10 heavy duty trucks (10 ton) and additional vehicles to transport food, supplies, equipment and personnel. They stated that a helicopter would be helpful to transport personnel and supplies to eradication sites.

4. The security force at the CORAH eradication camp is limited to 50 armed UMOPAR personnel. Additional security is needed to protect the workers and to disperse the eradication workers to several coca production locations, rather than concentrating the eradication force in a single area.

5. Only the military have helicopters; both CORAH and UMOPAR have informally requested helicopters to transport food, supplies, equipment and personnel. The military will allow CORAH to rent helicopters, but the cost is exorbitant at $1,400 per hour.

6. A legal coca grower earns an estimated $700 annually by turning his coca leaf production over to ENACO, compared to the approximately $7,000–$10,000 that can be earned annually by growing coca leaves for the traffickers; illicit coca processors can earn more than $10,000 per year. The temptation to cooperate with the narco-traffickers is obvious when compared to the hard work and low cash return for the citrus grower or agricultural farmer.

7. During the visit to the crop eradication site at Aucayacu, the Gilman delegation observed approximately 350 workers spray, chop and bulldoze coca leaves in a massive eradication effort. Tractors, however, can only be used effectively on flat terrain.

8. Only about eight percent of the farmers have switched to alternative crops. ENACO is ineffective since it pays only about $700 per year to the farmer for licit coca leaves.

9. Only about 10 percent of the aerial photography of the Valley has been completed.

10. CORAH believes that it could safely enter certain coca producing areas if the military would permit it; UMOPAR guards the eradication encampment and the military provides perimeter security to the area.

The special crop substitution project of Rio Firo

This is a three-acre crop substitution experimental project on land formerly growing coca. The project, funded by PEAH, is producing pineapples, oranges, grapefruit, coffee, yuca, and African tea, which could yield $8,000 per hectare.

Visit to PEAH headquarters at Aucavacu

1. PEAH needs tractors and other equipment for road maintenance and mapping.

2. The credit program is not accepted by the farmers; at the rate of 140 percent, the interest rates are too high. Canada is providing a more favorable rate and is providing 600 loans per month.

3. The coordination between CORAH, which reports to the Ministry of Agriculture, and PEAH, which reports to the National Development Institute, is improving.

4. PEAH, which provides coordination to 22 government agencies, is a development agency designed to mobilize and coordinate available resources. PEAH funding and assistance has provided extension services to farmers, road maintenance to improve agricultural marketing, improved health and potable water services, credit to farmers, agricultural support to the University of the Jungle, and legal titling and land registration for farmers.

5. Through PEAH's efforts, 15 schools in the Valley have been rebuilt and it has helped rebuild the Tingo Maria hospital as well as agricultural research and support stations.

6. There are 5,600 farmers growing legal crops in the Valley and 3,000 farmers are being serviced by extension stations.

7. Crops recommended as an alternative to coca growing: cacao, rice, tea, coffee, bananas, citrus.

Visit to UMOPAR at Tingo Maria

1. UMOPAR has grown from a force of 75 men when the Select Committee first visited Tingo Maria in 1981 to 360 men in 1985.

2. The relationship between the army and UMOPAR is strained. The military distinguishes between terrorism and drug trafficking and does not want to become involved in combatting the narco-terrorists. When the Valley was declared an emergency zone in August of 1984, UMOPAR was restricted to its barracks. Since April of 1985 it has been permitted to function outside its barracks, in restricted areas, and only when it first obtains permission from the military command.

3. Equipment needed: air support, vehicles, uniforms and arms (Note: only 50 percent of UMOPAR are adequately armed).

4. There is a media effort conducted by the coca growers and traffickers to undermine the operations of UMOPAR, CORAH and PEAH. A public relations campaign is needed to counteract this negative press and to win public support for eradication and for control of the coca production and trafficking.

FINDINGS AND RECOMMENDATIONS

1. The Upper Huallaga Project, despite the many obstacles in its path, has progressed and is beginning to achieve results. This has been an important experimental program for Peru and for the world and should be continued. The program has demonstrated that there are viable crop substitutes for coca where farmers can earn a good living on food and commercial agricultural crops. No crop or combination of crops can, however, provide an income equal to what the farmer can earn from selling coca to the illicit traffic. To carry the Upper Huallaga Project from the experimental

stage to full scale implementation, the Government must establish coca production levels necessary for legal requirements, license and control the licit coca, and eradicate all unlicensed coca cultivation. Even doing this will have no impact on the problem unless similar programs are simultaneously implemented in four other major coca producing areas of the country.

2. UMOPAR, CORAH and PEAH need more vehicles and support equipment to conduct their respective missions more effectively and efficiently. The purchasing or leasing of helicopters to these agencies should be examined.

3. AID is developing a drug awareness program for Peru. A mass media campaign to counter the coca growers' association, the traffickers and the terrorists is urgently needed to warn the citizenry of the dangers of coca trafficking and its abuses. An intensive effort to win public support for the activities of UMOPAR, CORAH and PEAH is needed.

4. Increased economic support funding is needed.

5. We need to improve upon our drug gathering capabilities including the use of aerial surveys.

6. We should explore the possibility of leasing helicopters to the military for narcotics law enforcement efforts as a way to help improve military-police cooperation.

7. The State Department should explore the idea of holding a conference with the ministers of justice from Latin America, including Members of Congress, to help establish certain judicial reforms.

REORGANIZATION OF PERUVIAN POLICE SERVICES

The Committee has learned that President Garcia did reorganize the police as he said he would and that by September 14, 127 high ranking officers, including 37 generals were relieved of their duties in the three national police services: the Peruvian Investigative Police, the Guardia Civil and the Guardia Republicana.

COOPERATIVE NARCOTICS ENFORCEMENT OPERATIONS BY PERUVIAN AND COLOMBIAN POLICE IN THEIR AMAZON BORDER REGION

The Committee has also been informed that in a series of raids in the northeastern sector of Peru along its borders with Colombia, a series of raids that began on August 13, resulted in the seizure of four sophisticated cocaine processing laboratories, about 2,500 kilos of coca paste and large quantities of chemicals for cocaine manufacture. Three airstrips and five aircraft were also seized in this operation. Those raids were carried out by the Peruvian Guardia Civil with the support of the Colombian National Police in a joint operation whereby the Peruvian police were airlifted to Letecia, Colombia, and picked up by Colombian Police helicopters for flights back across the border to conduct the raids. This is, of course, precisely the type of cooperation with Colombia, President Garcia and Minister of Interior Salinas indicated they would undertake. This operation was identified as Phase 1 of "Relampago/Condor" and ran from about August 13 to August 23, 1985.

On September 11, "Relampago/Condor Phase 2" began and was concluded on September 18, 1985. The Peruvian authorities report

the destruction of 10 clandestine airstrips, the seizure of 3 coca paste base conversion complexes, 1,246 kilos of coca base and 1,450 kilos of coca paste, and one 40 foot river boat.

Additional phases of Relampago/Condor are planned. It is estimate that there about 250 sites in the Peruvian Amazon for the illicit manufacture of coca paste, coca base or cocaine or all three substances.

EXCERPT ON DRUG TRAFFICKING FROM ADDRESS OF HIS EXCELLENCY ALAN GARCIA, PRESIDENT OF PERU AT THE FORTIETH SESSION OF THE U.N. GENERAL ASSEMBLY ON SEPTEMBER 23, 1985, AT NEW YORK

At this point, I would like to deal with the third subject of this exposition: Drug traffic as an activity that corrupts institutions and degrades man.

We believe that the consumption of drugs is but the exacerbation of consumption as a logic of capital. To consume, to consume up to the irrationality of self-destruction is the caricature of the economic system. The same greed for profit that dehumanizes capital is reflected and worsened in the drug addition that is the consumption of nonsatisfaction. Drugs are thus revealed to be a sort of higher state of consumer capitalism.

The only raw material to increase its value has been cocaine. The only successful multinational originated in our countries has been the drug traffic. The most advanced effort of Andean integration has been made by drug traffickers.

But to what is this due? According to the liberal economy, production is regulated by demand and it so happens that the main market for demand is that of the United States of America.

For Peru, the consumption of the drug is not a national problem but I can say that within the first 50 days of government, we have dealt the most successful blows against the international of vice. Twenty-two airports, 3 helicopter landing strips, 5 long range light aircraft, hundreds of kilograms of drugs and 8 large factories have been discovered and seized.

All of which means that the consumption of drugs in the U.S.A. will suffer a yearly reduction of approximately 80 tons.

We could, therefore, ask the American administration, if we have done this in 50 days, what does it do for the human rights of the individuals that keel over in Grand Central Station and so many other places and when will it legally and in a Christian fashion fight to eradicate consumption?

A liberal economist would recommend us to keep our hands off this risky subject, but we believe that democracy must also have an ethical dimension in which the State cannot indifferently view corruption and vice.

That is why we assume the fight against drug traffic. Because it is a crime against humanity. We do not do it for the granting of a loan and the aid of a few million dollars that are offered and that in the future we will not accept, because our own conscience is enough to defend youth, whether Peruvian, American or from any part of the world.

But I say from this rostrum that another crime against humanity is to increase interest rates, reduce prices of raw materials,

waste economic resources in technologies of death while hundreds of millions of human beings live in misery and are encouraged to violence.

FINDINGS

1. The Committee delegation found that since its last visit to Peru in August 1983 that the illicit production of coca is estimated to have increased from 55,000 tons annually to 100,000 to 150,000 tons. There are some estimates that it is even higher, 200,000 tons or more.

2. Peru has developed a program in one of the 6 coca production areas of the country, the Upper Huallaga Valley where since its inception in 1981, 4,000 hectares of coca bush have been eradicated. The rural and agricultural phase of this program known as PEAH has made a good start at developing programs to encourage growers to phase out coca production, notwithstanding narco-terrorist attacks which have assassinated 19 agricultural workers involved in crop substitution, destroying their building installations and equipment. The law enforcement program known as CORAH has also made a commendable start by eradicating 4,000 hectares and destroying a great many coca conversion pits. Notwithstanding coca production and the illicit manufacture of coca paste has continued to expand in the area each year. In the five other major coca producing areas of Peru illicit coca production has also increased dramatically on an annual basis. There is no effort to differentiate licensed legal coca cultivation from illicit and no effort to eradicate illicit cultivation whatsoever or ensure licensed cultivation is not directed to the illicit traffic. Also there is no effort to prevent the constant expansion of illicit coca production and no meaningful effort to suppress illicit coca paste manufacture that proliferates in the growing regions.

3. Illicit coca paste and base manufacture in Peru and the manufacture of cocaine has continued to expand to keep pace with coca production. No where in the country have the Guardia Civil of the PIP kept pace with the increased illicit manufacture of coca paste and cocaine. Additionally, the explosion of a laboratory in Lima exposed the dimensions of the Lopez Rodriguez organization and the extent of their cocaine manufacturing capability. The enormous cocaine manufacturing facilities successfully raided with Colombia Police assistance in August in the Amazon region of the country attests to the impunity traffickers believe they can operate in Peru. The attraction for the operators in the Amazon is the remoteness of the area and availability by air transport of high grade coca paste or base at a reasonable price in unlimited supply in Peru, particularly in the Upper Huallaga Valley.

4. The Committee delegation has been very favorably impressed by the new administration of President Alan Garcia's reorganization of the Guardia Civil and the PIP and the vigorous steps subsequently taken by the Guardia Civil with the logistical support of the Colombia National Police to raid a series of cocaine laboratories in the Amazon region. As commendable and important as this action is, the Committee delegation remains uneasy that in the statements made by the Peruvian officials with whom they met

and in subsequent speeches and news reports, emphasis was on severe action against narcotics traffickers and the users of coca and cocaine as the key to bringing the problem under control.

The Committee did not hear declarations of equal vigor of the need to halt the constant escalation of illicit coca production that began about 1975 and continues unabated. The bulk of this illicit production is not in the hands of traditional growers who have grown modest amounts for chewing and for the limited medical and industrial requirements of coca. The cultivation of coca in Peru is overwhelmingly illicit and is sponsored, subsidized, directed and dominated by ruthless narcotic trafficking organizations.

As long as this cultivation continues to expand or remain at its current very high level, no meaningful or long term progress will be possible in suppressing illicit manufacture and reducing the abuse of coca and cocaine in Peru and worldwide. Much more can and should be done in all countries to suppress the illicit manufacture and trafficking in coca and cocaine and to prevent and treat the abuse of coca and cocaine and of all narcotic and psychotropic drugs.

However, experience worldwide during the past 50 years with the illicit manufacture of heroin and cocaine, the two leading illicitly manufactured drugs, reveals the volume of their manufacture is directly related to the volume of the illicit production of their raw materials opium and coca. The volume of the illicit traffic in heroin and cocaine is directly related to the volume of heroin and cocaine illicitly manufactured. The abuse and addition to heroin and cocaine worldwide is directly related to the volume of the drug available for illicit trafficking. Meaningful progress will not be possible in controlling the worldwide problem of cocaine trafficking and abuse until the illicit cultivation of coca in Peru can be phased out and the modest cultivation for legal requirements brought under a system of licensing and strictly controlled.

The Committee delegation came away from Peru with a perception that the Government recognizes that the enormous volume of coca being illicitly produced in the country is the real cause of the illicit manufacturing and trafficking problem that is threatening the nation. Further that it is struggling to find the means to phase out this production in such a way as to overcome the political and social liabilities that would incur if their control plans are not well prepared and effectively implemented. To accomplish this, Peru is going to need the help of the United States, other friendly countries and the United Nations. Peru is also going to need massive technical and material support to organize, train and equip its police, military, criminal justice, agricultural and rural development systems to bring the illicit production and traffic of coca and cocaine under control.

Recommendations

1. This Committee reaffirms the recommendations it made in its annual report for 1984 that "the constantly increasing illicit production and traffic of coca, coca paste and cocaine is steadily undermining the ability of democracy to survive in Peru. A realistic recognition of the depth of the problem and a broader, more compre-

hensive program of support and assistance by the United States is needed to bring the production and traffic of coca and cocaine under control and to save democracy.

2. The Department of State should organize a small expert committee that would cooperate with a counterpart group organized by the Government of Peru. The joint expert committee should prepare a plan and provide for its implementation to bring the illicit production and traffic of coca under control with U.S. Government assistance, and that of other concerned countries and the United Nations. The plan should:

A. Establish the quantity of coca leaf that is required in Peru to meet its own current coca leaf chewing needs and those of the international pharmaceutical and flavoring extract markets.

B. Establish the hectares needed to produce these legal coca requirements and then limit licenses to the number of growers necessary to cultivate the number of hectares that are needed.

C. Progressively eliminate all other production of coca by the voluntary compliance of growers or by eradication, if necessary, as soon as possible.

D. As soon as the quantity of coca necessary for chewing, legal pharmaceutical, and flavoring purposes is established, the Government of Peru should initiate a program to progressively eliminate the practice of coca leaf chewing as it pledged by its 1964 ratification of the Single Convention on Narcotic Drugs of 1961. Coca leaf produced for chewing could then be commensurately reduced as required by the convention.

The fact that Peru did not face up to its obligation to phase out coca leaf chewing beginning in 1964, but continued to produce large quantities of coca to sustain this harmful public health problem, is the genesis of the current uncontrolled production and traffic of coca in Peru. The practice of coca leaf chewing has to be phased out, not only for the health and welfare of the pitiful users of coca, but also to reduce coca leaf production to lessen the risk of its diversion to the illicit traffic of coca ostensibly produced for chewing.

It should be noted that all countries that ratified the Single Convention, and which had at the time permited: (1) the quasi-medical use (eating) of opium; or (2) opium smoking; or (3) the use of cannabis for non-medical purposes, have under Article 49 ended those practices.

3. At such time as the Government of Peru proposes and commits itself to a plan which provides for reducing the licensed cultivation of coca to a level commensurate with legal requirements and which also provides for the progressive elimination of illicit coca cultivation within a reasonable period of time, the U.S. Government should commit itself to providing the financial and technical assistance that may be required by Peru, in the fields of agricultural development, administration, law enforcement and criminal justice, to limit coca production to legal requirements and suppress the illicit production and traffic of coca, coca paste and cocaine.

4. On the basis of the Peruvian commitment and program to bring the coca problem under control, the U.S. Government should

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urge other American states, which are seriously victimized by coca production in Peru, such as Canada, Mexico, Brazil, Argentina and Chile, to assist Peru along with the United States to the extent their financial resources will permit. The Western European countries, which have also become victims of this problem, should also be urged to join in this assistance to Peru. The narcotic control organs of the United Nations and the World Health Organization can also provide valuable technical assistance support to Peru to enable it to bring its coca production and use problem under control in compliance with its obligations to the Single Convention.

Further delay and continued failure to control coca by Peru will bring an increasing illicit production and traffic of coca and cocaine in the country. This wili, on a worldwide basis, increase the availability of cocaine, lower the price and spread the use of the substance.

On the other hand, by addressing the problem, Peru will improve the health of its people, bring stability to the countryside and create an environment of agricultural and industriai development and progress, supported by foreign assistance and international corporate investment.

BOLIVIA

Coca leaf produced in Bolivia is the raw material responsible for 40 percent of the cocaine entering the United States. About 10 percent of the cocaine is also illicitly produced in Bolivia.

In Bolivia as in Peru the coca bush has grown wild and has been cultivated for at least 2,000 years. It is traditionally chewed for its mild stimulating effect to overcome fatigue associated with high altitude. It also has the side effect of serving as an appetite suppressant in an area where food is not plentiful.

As in Peru, coca was traditionally grown by the number of farmers and on the land area sufficient to meet the domestic market for coca leaf chewing. During this century, in addition to the traditional use of coca, mining companies in Bolivia began to provide it gratis to miners as part of their employment arrangement to relieve the weariness of their arduous labor.

Because Bolivia only produced coca to supply its domestic chewing market, the quantity of coca historically produced, until recent years, has been substantially less than Peru. This is because it has in general averaged only one third of the population of Peru and one third of the number of coca chewers.

Bolivia, with a population of about 6 million, is thought to have about 500,000 coca chewers. During the past few years coca paste smoking has become a serious problem and the number of users of this substance is now estimated at 80,000. Cocaine abuse has also expanded, particularly by affluent narcotic traffickers and the rank and file members of the trafficking organization that now cover the country.

When the Select Committee visited Bolivia in August 1983, estimates of the total metric tons of coca leaf being produced ran from 50,000 to 62,500 with the most commonly given as 55,000.

Coca production in Bolivia began to expand greatly during the mid-1970's to date. Up until then the bulk of the production existed

in the Yungas area with significant production in the Chapare. Now there is heavy coca cultivation in 7 areas, 4 traditional and 3 non-traditional.

Traditional areas and location

Chapare—Central.
Yungas—West Central.
Apolo—Northwest.
Ayapaya—Central.

Nontraditional areas and location

Santa Cruz—Eastern Lowlands.
Beni—Northeast Lowlands.
Pando—Northwest Lowlands.

Estimates provided the Select Committee of coca production in the Chapare and Yungas areas between 1978 and 1985 are as follows:

Year	Hectares	Coca leaf (metric tons)
1978	15,900	29,000
1980	27,500	50,000
1982	45,082	82,500
1984	60,000	100,000
1985	84,000	140,000

These estimated coca production figures for the Chapare and Yungas for the 8 years between 1978 and 1985 show a 560 percent increase in hectares cultivated at a rate of 70% annually. Coca leaf tonnage produced shows a 480 percent increase with an average annual growth rate of 60 percent. What is deeply disquieting is that no estimates of production are provided for the five other coca producing areas of the country where at least in three areas, Santa Cruz, Beni and Pando, production is reported as heavy.

In 1983, Bolivian authorities gave as the estimate annual coca leaf consumption in the country for chewing at 12,000. This figure was generally thought to be too high and, based on the population, might not exceed 2,400 tons. The Committee was informed in its 1985 visit that domestic Bolivian requirements for coca leaf for industrial medical and anthropological cultural purposes was between 15,000 and 20,000 tons. This is a difficult figure to accept since there is no known legal export or processing in Bolivia of coca for industrial or medical purposes. Anthropological cultural requirement, which is actually coca chewing, is the only category where substantial quantities of leaf are consumed domestically. This we are informed is diminishing as growers allegedly prefer to sell to the illicit traffic for higher profit rather than to chewers. The latter are also becoming the victims of coca paste smoking as the availability of leaves for chewing declines, coca paste for smoking increases.

If, as the facts would indicate, 15,000 to 20,000 tons of coca leaf are consumed annually by the estimated 500,000 coca chewers in the country, they would be consuming annually the equivalent of

from 150 to 200 tons of cocaine hydrochloride or 30 to 40 kilos per person per year.

It would appear from the Chapare and Yungas regions of the country, 120,000 tons of coca leaf is annually available for conversion in Bolivia or abroad to cocaine to supply the international market. Conservatively it is estimated another 120,000 tons are now being produced in the five other production centers within the country. This would make 240,000 tons of coca available in Bolivia for illicit cocaine production. This could produce an estimated 240 tons for the international traffic.

The reason most frequently cited for the failure of the government of Bolivia to comply with the agreements of 1983 to begin coca eradication in the Chapare and begin to organize similar programs in the 6 other coca producing areas of the country was the lack of a law which would enable the government to license legal coca requirements and prohibit all other cultivation, eradicating it as necessary.

In May 1985, as the U.S. Senate and House of Representatives moved to sanction economic and military assistance to Bolivia, the government promulgated a coca control decree limiting production and marketing and providing legal authority for eradication.

The Committee has examined this decree law and while it is a start in the right direction, it does not comply with the requirements of the Single Convention on Narcotic Drugs of 1961 or the minimum standards required to effectively license and control a narcotic crop to prevent significant diversion to the illicit traffic.

Be that as it may, no steps have been taken as yet by the former administration of President Siles Zuazo and the new administration of President Paz Estenssoro to begin to implement this law.

The main provisions of May 1985 Narcotics Decree law are:

1. The new law prohibits cultivation of coca in all but two zones, located in two separate departments (La Paz and Cochabamba). Within those zones, the Government of Bolivia is empowered and directed to place ceilings on total production.

2. All new plantings within and without the two zones are prohibited, except for those plantings within the zones "in quantities strictly minimum to renew their authorized cultivations without any increase."

3. It is a crime to market or transport coca leaves outside channels prescribed by law. Trade in coca leaves had not been considered "trafficking" before.

4. Only coca leaves produced in the two legal zones can enter the legal market channel. Such leaves must have been produced by licensed growers. Licensed growers in legal zones may sell up to one pound of leaves (and subsequent buyers and sellers may deal in that amount) outside the legal channel.

5. Within the legal zones, only farmers who were registered as coca producers in 1977 and/or 1981 can receive production licenses. Newcomers since 1981 and those who failed to register before then are disqualified from marketing leaves legally.

6. Most of the above-mentioned controls had not existed before in Bolivia. There had been no statutory basis for voluntary programs of eradication of coca. Controls on marketing had been for revenue producing purposes; no kind of trade in

coca leaves had been a crime, most important, there had been no legal basis for mandatory eradication of coca.

7. The decree law, as it applies to coca cultivation, production of leaves and marketing of them, provides a legal foundation for fulfillment of a major U.S. narcotics goal—reduction of coca production to the level of traditional, legitimate demand—and thus for depriving traffickers of their current access to production excess to legitimate consumption.

8. In addition, the decree stiffens considerably criminal penalties for manufacture and trafficking in narcotics, including cocaine and its unrefined antecedents, and make more flexible and rapid judicial administration of narcotics cases.

The Committee arrived in La Paz, Bolivia, at 12:30 p.m., on August 12 and departed at 6:30 p.m. the same date. Upon its arrival at La Paz the Committee delegation proceeded directly to the U.S. Embassy residence for a briefing on the status of the illicit production and traffic of coca and cocaine and the plans of President Dr. Victor Paz Estenssoro who was inaugurated on August 6., to bring the problem under control.

The Committee was briefed by Charge d'Affaires, Jeffery R. Biggs, and the Embassy staff and subsequently General Ivar Guerrero Lena, the Commanding General of the Bolivian National Police, and Colonel Guido Lopez Villegas, the Director of the Bolivian Narcotics Control and Education Effort. Also by Dr. Carlos Montano, Director of the Secretariate of Development for the Bolivian Tropical Region.

The Committee learned that the problem of the illicit production of coca leaf in seven large sectors of Bolivia, its clandestine conversion to coca paste and a portion of the latter into cocaine continues to expand annually. Coca production in Bolivia may be responsible for 40 percent of the international cocaine traffic. The illicit production and traffic of coca and cocaine under the aegis of ruthless and greedy drug traffickers, is dominating the life of the country and undermining the ability of democracy to survive.

The Government of Bolivia signed four project agreements on August 11, 1983, with the United States. Bolivia committed itself to institute a program in the Chapare region to gradually reduce coca production to what is required for legitimate purposes and to phase out and eradicate the processing of all other cultivation.

About $7.5 million was allocated by the United States for the agricultural and law enforcement support of this program. Nothing in the way of implementation was carried out for one year. Finally over the weekend of August 11, 1984 the Bolivian Government moved 310 policemen and 1,200 men of the Army, Navy and Marines in to occupy the Chapare region under orders to implement a full range of suppression activity against illicit coca and cocaine production and traffic. As of this writing, no coca eradication has taken place in the Chapare, where coca and cocaine production continues to increase as it does in the six other regions of Bolivia. However, as a result of this initiative, two large cocaine laboratories, 860 kilos of coca paste and 40 kilos of cocaine were seized and several arrests made in the Beni region north of Chapare in August 1984. However, coca paste and cocaine production and trafficking continued and increased without interruption as the traf-

fickers have some degree of police or military protection directly or through political connections.

Dr. Montano described his efforts to coordinate the utilization of U.S. narcotics control assistance to bring about local development projects and substitute crops which will facilitate farmers in the Chapare being required to give up coca production. Dr. Montano was impressive in describing progress made in implementing some of the development projects and left no doubt as to his commitment to rid his country of illicit coca production which together with the traffic he said is responsible for the 15,000 percent inflation rate which is bringing Bolivia to economic ruin.

At this point, Chairman Rangel inquired if any coca had been eradicated and Colonel Lopez responded that it had not; that the time was not yet appropriate to do so, that any effort to eradicate would be opposed by growers, the labor unions and public in general.

Chairman Rangel next raised the restriction on aid to Bolivia enacted in the 1985 Foreign Aid Authorization Act. It affects about 16.3 million of 56.8 million requested for 1986. He explained that it permitted Economic Support Funds (ESP) and military assistance to Bolivia in FY 1986 and FY 1985 only if certain conditions are met.

1. A. For FY 1986 up to 50 percent of such aid may be provided after the President certifies to Congress that Bolivia has enacted legislation that will establish its legal coca requirements, license the number of hectares needed to produce the legal requirements and eliminate illicit coca cultivation.

B. The remainder of such aid may be provided after the certification in Paragraph (A) above is made if the President certifies to Congress that Bolivia achieved the calendar year 1985 eradication targets contained in its 1983 narcotics agreement with the United States (the eradication target figure is 4,000 hectares).

2. For FY 1987 such assistance may not be provided unless the President certifies that Bolivia has developed a plan to eliminate illicit narcotics production nationwide and is prepared to enter into an agreement with the United States to implement the plan. Then:

> (A) Up to 50 percent of such assistance may be provided after the President certifies to Congress that Bolivia has achieved at least half of the calendar year 1986 eradication target agreed upon by the U.S. and Bolivia.
>
> (B) The remainder may be provided after the President certifies to Congress that Bolivia has fully achieved the 1986 eradication target.

Chairman Rangel then pointed out that the Committee was pleased that even before the Congress enacted this amendment the Government of Bolivia had enacted legislation that would establish the legal coca requirements, license the hectares needed for that production and mandate the elimination of illicit coca.

Chairman Rangel next said that he could not understand why it should be so difficult to eradicate 4,000 hectares of coca by December 31, 1985, to remain eligible for U.S. aid. At this point, it became apparent that General Guerrero and Colonel Lopez thought Chairman Rangel was calling for eradicating 4,000 hec-

tares in the Chapare. However, the Chairman said 4,000 hectares was 4,000 hectares and he thought if any 4,000 hectares out of the 100,000 to 200,000 currently thought to be growing in the country were eradicated, that would serve the intent of the amendment's requirement. He suggested they might wish to start eradication where it might be the easiest to carry out or to eradicate in different sectors of the country to achieve the 4,000 hectare level while minimizing the strength of the opposition by growers.

The dialogue over the requirement that Bolivia eradicate 4,000 hectares of coca leaf by December 31, 1985, to remain eligible for U.S. aid prevented the presentation of Dr. Jorge Blaco Krasnik, Director of the Educational Campaign Against Narcotics. However, he provided the committee with a paper which described the current drug abuse situation in Bolivia and efforts to prevent and respond to a serious problem. He reports 15,000 to 20,000 tons of coca are used for chewing and an additional 120,000 tons are produced for coca paste and cocaine manufacture.

He stated that the smoking of coca paste known as "pitillo" in Bolivia is the most popular drug and that 80,000 people are regular users of "pitillo" or "pasta" as it is also known.

Meeting With President Estenssoro

In his inaugural address on August 6, President Estenssoro addressed the narcotic trafficking problem and its corruptive influence on the country as follows:

> With a vision of the years to come for Bolivia, the natural wealth potential should be preserved. The ecological plundering of the land, the water, the forests, forest fauna and plundering of nature show us an irrational squandering of our soil resources, hydric and biotic, at the risk of endangering the economic future and the precarious environmental balance, so delicate due to the inexorable laws that govern it.
>
> The dominant corruption in national life must be eliminated completely, without taking into consideration how important the persons involved in the crime may be. It cannot be tolerated that on the basis of mass misery they move with impunity, as within a haven, using the State apparatus, from the high levels to the most modest ones, in order to consecrate a practice that corrodes the morality of our people. This framework of the orchestration of crime, which weakens all of Bolivian society, also includes a fine intermediate business network, of businesses of a diverse nature, which we say must carry out their activities without entering into illegality.
>
> A variant of this decomposition that has deeply affected some groups of our society is the growing drug trafficking that not only severely endangers our youth, because of the temptations of the business and drug addiction, but also gravely harms Bolivia with respect to its international image. The pressure that is being exercised on the country to decrease its clandestine volume of alkaloid trafficking imposes upon us the unavoidable obligation to control more strictly its illegal preparation and trade. Therefore, we will do everything possible to combat this dreadful scourge. But we must make it clear that

in this governmental task of dealing with the multinational drug trafficking network, with its headquarters in the United States of America and Europe, Bolivia is just one more link in the criminal chain very well organized beyond our borders.

In the other aspect of the problem, it is necessary to consider the cultivation and crewing of the coca leaf since the prehispanic era and proceeding to get rid of this ancestral custom does not seem to be feasible policy. We will indeed act with complete resoluteness with respect to the surpluses from the production of this leaf which are used in such an infamous industry. For that purpose it will be indispensable to have substantial international cooperation and reach an agreement that will make it possible to replace the crop appropriately in the surplus areas and, at the same time, begin an effective campaign to curb the trafficking within our territory, as well as in the centers of consumption of this narcotic. It will be necessary that at both extremes of the process, the production of the raw material and the final marketing of the cocaine, that a coordinated and resolute effort be made to combat the problem.

President Victor Paz Estenssoro, who was accompanied by his newly appointed Minister of Interior Dr. Frederico Kaune Arteaga, received the Committee warmly and indicated he had assigned the highest priority to addressing the narcotic problem. He believes it is primarily responsible for the skyrocketing inflation rate afflicting the country and for the collapse of their currency against the dollar.

Chairman Rangel in response said that the objective of the Committee's visit was to strengthen and support the ability of Bolivia and the United States to work as partners to bring under control the problem of the production and traffic of coca and cocaine.

Mr. Rangel went on to say that the Committee and the Congress understand the political, social and economic dimensions of the problem and want to ease the transition of farmers from coca to food crops. He pointed out that the Select Committee had worked within the House of Representatives in designing the requirements in narcotics control levied on Bolivia or face sanctions on economic and military aid to actions that were possible for the Government to implement. Chairman Rangel added that it would be unfair to penalize this government for the lack of action by the previous administration. He proposed that with U.S. help Bolivia could achieve the requirements of the recent legislation so as to remain eligible for U.S. military and economic assistance.

President Paz thanked the Committee delegation for their understanding of the political and economic problems that have led Bolivia into this problem of coca production and trafficking. He deeply regretted that Bolivia had made such little progress in reducing coca cultivation. This he said was due to the inability of the previous government to organize and implement an effective economic program that would control inflation and the foreign exchange rate of the currency.

"Inflation and the destabilization of the rate of exchange was caused by the great distortion created in our economy by the narcotic traffickers dominating the economy with their newfound

wealth. The inflation and the foreign exchange weakness of our currency for which they were responsible worked to their advantage and to the disadvantage of farmers who did not grow coca. This caused farmers who had not grown coca to begin to grow it. The fact that so much money is involved and corruption by the traffickers has become so entrenched makes it difficult to control."

He felt that to a very great extent, the bulk of the illicit production of coca in Bolivia is in the hands of traditional traffickers and unscrupulous professionals who come from the ranks of the Army and police and other educated professions. He proposes to crack down hard on those people.

President Paz said he plans to implement economic reforms starting with a single realistic exchange rate. This would help combat the economic power of the traffickers. He would also improve the salaries of law enforcement officers and cooperate with other countries both the producers and consumers to fight this evil. The President said that coca production in Bolivia must be reduced to legal requirements, but that farmers should receive help during the transition to substitute crops.

He added that the "large completely illicit fields belonging to nonpeasant farmers in nontraditional areas should be the first target for eradiction." The President pledged that his government is going to investigate trafficking in depth and take severe measures to control it.

Interior Minister Kaune commented that "up until now there is a perception that the Bolivian narcotics control effort was something which was carried out in response to demands by the United States." He said that "the new intensified effort has to be seen to be much more as a result of an initiative by the Bolivian Government than the United States.

Minister Kaune next reported that peasants in the area of the U.S. aid sponsored Chapare development projects believe that "little or nothing has been done in this area and that the U.S. commitment is insignificant." He also said that according to police sources, "the cumbersome U.S. bureaucracy is preventing effective, timely cooperation between the U.S. Embassy and the Bolivian police narcotics enforcement office."

Minister Kaune concluded by saying that the Paz government is determined to suppress narcotic trafficking and corruption. He said he was confident that with continuing help from the United States the government would reduce coca cultivation to levels that the United States would consider adequate.

President Paz said that although the struggle will not be easy, his government is committed to reducing excess coca production as one element in his master plan to promote agro-industrial development in country.

At this point, Chairman Rangel outlined the requirements mandated by the amendment to the Foreign Assistance Authorization Act as he had done for Police General Guerrero and Colonel Lopez.

President Paz said "as you know, we have enacted the type of law that is required by the amendment so that is no problem, we meet the requirement. The eradication figure that is required which I do not know exactly and will ask your Embassy people here to inform me" (the figure of 4,000 hectares was provided).

President Paz then, in a most disarming way said, "well that for us is a problem, it will be very difficult to achieve."

Chairman Rangel said that he understood that eradiction could be difficult when it involved small impoverished growers, but according to the President himself, his primary targets were the major operators, the traditional trafficker growers and the professional classes who have taken it up. Chairman Rangel asked, "why not start with them and eradicate 4,000 hectares of their cultivation? Is it possible for you to do that?"

President Paz replied, yes, that he would ask the Interior Minister to develop an operation to carry out the proposal Chairman Rangel had made. He reiterated that Bolivia is ready to make an effort.

Representative Gilman said the U.S. Government wanted to be helpful to Bolivia through additional economic and military assistance, but this assistance was contingent on Bolivia's progress in reducing coca production. Despite agreements with the two previous governments in Bolivia to progressively eliminate illicit coca production, nothing had been done and in fact coca production had continued to expand. Mr. Gilman went on to say that the preparation of a plan to progressively eliminate illicit coca production would bring help from the U.N. Fund For Drug Abuse Control and several Western European nations.

In response to Mr. Gilman, President Paz said that he was unsure he could meet the eradication requirement of 4,000 hectares by December 31, 1985, to remain eligible for continued U.S. aid. He said his immediate attention was focused on addressing Bolivia's severe economic problems. He thought the government would not be able to move on eradication until September. He also felt it was unfair to punish Bolivia and his new government for his predecessors failures.

President Paz went on to say that contrary to the best military strategy he is determined to fight the battle against narcotics trafficking on two fronts. One would deal with government corruption and immorality at all levels and the other would be to find an exemplary narcotic case and have it prosecuted firmly and to the fullest extent of the law so as to begin to change Bolivia's very negative international image.

In conclusion President Paz thanked Chairman Rangel for the Committee's visit for its concerns and expressions of support. He predicted that if his government is successful it will bring 20 years of stability and progress to Bolivia. If he fails the country will continue to drift into a situation of inconceivable anarchy and chaos that will threaten the foundation of Bolivia's social and political institutions.

ECONOMIC REFORM INITIATIVES

On August 29, President Paz in a display of great political courage announced the implementation of a stern economic recovery program. It included floating the grossly overvalued unit of currency, freezing public sector salaries, breaking of the state mining and oil enterprises and ending their government subsidies and deregulating prices. Other measures were taken which will also restore

sound financial practices, encourage foreign investment and build public confidence in the economy.

BOLIVIAN NATIONAL POLICE NARCOTIC ENFORCEMENT INITIATIVES DURING SEPTEMBER 1985

On September 20, 57 National police officers of the UMOPAR (special narcotic enforcement unit) located and raided a large coca and cocaine processing facility on the Miraflores Ranch in the Beni region, 150 miles Northwest of the city of Trinidad. The complex consisted of six buildings, two of which were used for the manufacture and drying of cocaine. A third building served as a dormitory for 16 people with a kitchen and eating area. The remaining buildings were used for storing coca paste and cocaine as well as the chemicals necessary for the manufacturing process. Very large quantities of the essential chemicals were seized including ether, acetone, potassium permanganate, hydrochloric and sulphuric acid. The complex had been stripped of all narcotic raw and finished products and the operating personnel had fled. It is thought presence of the UMOPAR in the area a few days earlier to gear up for the operation triggered the evacuation of the coca and cocaine and the personnel. The facility was serviced by an airstrip one and one half miles away and two jeeps were used for transportation to and from the airstrip.

This was reported as the largest coca and cocaine processing laboratory ever seized in Bolivia with an estimated production capacity given conservatively at one half metric tons of cocaine per week.

With the exception of the 30 kilo containers of potassium permanganate which originated in Spain, all the other chemicals, machinery, lights, boxes for packing cocaine and canned food were Brazilian made.

On September 26, Colonel Guido Lopez, Director of the Bolivian National Police Narcotics Enforcement Division reported that to date his organization had seized 3 tons of cocaine which is more than it seized in all of 1984, but that this figure is still insignificant when compared to the 200 tons of cocaine that are exported from the country annually.

On September 28 and 29, a 65 man UMOPAR detachment conducted a series of raids in the Chapare region about 50 miles from Cochabamba in the villages of Cliza, Toca and Colomi in the Valle Alto area. A total of 15 coca paste laboratories were seized along with 200 kilos of coca paste. One individual was arrested.

Local community leaders and clergy were supportive of raids and reported to police that coca paste production and trafficking was directed by people from the Santa Cruz area.

FINDINGS

1. The illicit production of coca and cocaine in Bolivia is out of control and continues to increase at an alarming rate. Coca leaf production in 1985 is estimated at 200,000 to 240,000 tons capable of producing 200 to 240 tons of coca paste or cocaine. The Bolivian National Police estimate that in 1985 the combined total of coca

paste and cocaine exported for the international illicit traffic will be 200 tons.

2. Bolivia ratified the Narcotics Control Conventions of 1912, 1925 and 1946. It did not ratify the Single Convention on Narcotic Drugs of 1961 until 1976. By virtue of its ratification of the 1912 and 1925 Conventions, Bolivia obligated itself to control the legal import, export, manufacture and distribution of opium and coca products to limit their use to medical purposes and to suppress the illicit traffic.

3. By adopting the Single Convention in 1976, Bolivia obligated itself to license all coca production in the country, limit the licensed production to levels required for domestic and international legal purposes and to eradicate all illicit and wild cultivation. In ratifying the Single Convention in 1976, Bolivia also committed itself to end the practice of the chewing of the coca leaf.

4. The Government of Bolivia's efforts to suppress the illicit manufacture and traffic of coca and cocaine has traditionally been sporadic and ineffective. It has totally ignored its obligation to control coca cultivation and to date, so far as can be determined, not a single coca plant has ever been eradicated by the authorities.

5. Anyone who chooses in Bolivia may cultivate, buy and sell the coca leaf in any quantity without fear of government intervention. Risk of arrest and prosecution for illicit manufacture and trafficking of coca and cocaine at any level is remote.

6. No steps have been taken to phase out the practice of coca leaf chewing. Some experts report that coca paste smoking is rapidly attracting and victimizing large numbers of coca chewers and the young who would normally chew coca but now start with paste because of its widespread availability.

7. Coca and cocaine enforcement operations in the Beni and Chapare regions by the Bolivian national police in September 1985 seizing a large cocaine laboratory and many coca paste conversion pits have been a very encouraging start in the right direction. But even if this is expanded and developed into a most effective operation, it will have no impact unless the constantly expanding illicit cultivation of coca is halted and the enormous cultivation of coca underway in seven large sectors of the country is phased down to the level needed for legal requirements and firmly controlled under license.

Experience over the past 50 years with illicit narcotic manufacture demonstrates that the volume of illicit narcotics manufacture is directly related to the volume of the basic raw material available whether it be opium or coca. It follows that the volume of the illicit traffic in cocaine and heroin is directly related to the volume manufactured. The volume of cocaine and heroin illicitly used is directly related to the volume trafficked.

The Committee in its 1983 visit to Bolivia as well as in its recent visit has the perception that in addition to the political and social difficulties involved in reducing coca production to legal requirements Bolivia needs technical help in developing the plans and programs necessary to accomplish this. Bolivia also needs massive technical and materiel support to organize, train and equip its police, military, justice, agricultural and rural development sys-

tems to bring the illicit production and traffic of coca and cocaine under control.

It should be noted that as he had promised at his August 12 meeting with the Committee delegation, President Paz did adopt strong economic reform measures on August 29. In late September impressive initiatives against illicit coca and cocaine manufacturing activity was taken as he had indicated he would. Yet to date so far as this committee can determine as of November 1, 1985, no action has been taken to eradicate any of the massive illicit coca cultivation. This notwithstanding the fact that the 1985 Foreign Aid Authorization Act requires that 50 percent of such aid may be provided if Bolivia has enacted legislation that will establish its legal coca requirements, license the number of hectares needed to produce the legal requirements and eliminate illicit coca cultivation. The May 1985 Narcotic Decree Law meets this requirement although not as fully as it should.

The remainder of aid authorized for Bolivia for FY 1986 can only be provided after the President certifies to the Congress that Bolivia achieved the calendar year 1985 eradication targets contained in its 1983 narcotics control agreement with the United States (the eradication target figure is 4,000 hectares before December 31, 1985). Bolivia obviously cannot organize a program that will begin the phase out of illicit coca cultivation. Without this no meaningful progress in suppressing illicit coca and cocaine manufacture is possible.

Recommendations

1. This Committee calls for a more realistic recognition of the depth of the problem of illicit coca and cocaine production and traffic in Bolivia and for a broader, more comprehensive program of support and assistance by the United States to bring the production and traffic of coca and cocaine under control and to stem the drift of Bolivia into anarchy and chaos that now threatens the nation.

2. The Department of State should organize a small expert committee that would cooperate with a counterpart group organized by the Government of Bolivia. The joint expert committee should prepare a plan and provide for its implementation to bring the illicit production and traffic of coca under control with U.S. Government assistance, and that of other concerned countries and the United Nations. The plan should:

A. Establish the quantity of coca leaf that is required in Bolivia to meet its own current coca leaf chewing needs and those of the international pharmaceutical and flavoring extract markets.

B. Establish the hectares needed to produce these legal coca requirements and then limit licenses to the number of growers necessary to cultivate the number of hectares that are needed.

C. Progressively eliminate all other production of coca by the voluntary compliance of growers or by eradication, if necessary, as soon as possible.

D. As soon as the quantity of coca necessary for chewing, legal pharmaceutical, and flavoring purposes is established, the

Government of Bolivia should initiate a program to progressively eliminate the practice of coca leaf chewing as it pledged by its 1976 ratification of the Single Convention on Narcotic Drugs of 1961. Coca leaf produced for chewing could then be commensurately reduced as required by the convention.

The fact that Bolivia did not face up to its obligation to phase out coca leaf chewing beginning in 1976, but continued to produce large quantities of coca to sustain this harmful public health problem, is the genesis of the current uncontrolled production and traffic of coca in Bolivia. The practice of coca leaf chewing has to be phased out, not only for the health and welfare of the pitiful users of coca, now gravitating to smoking coca paste, but also to reduce coca leaf production to lessen the risk of its diversion to the illicit traffic of coca ostensibly produced for chewing.

It should be noted for all countries that ratified the Single Convention, and which had at the time permitted: (1) the quasi-medical use (eating) of opium; or (2) opium smoking; or (3) the use of cannabis for non-medical purposes, have under Article 49 ended those practices.

3. At such time as the Government of Bolivia proposes and commits itself to a plan which provides for reducing the licensed cultivation of coca to a level commensurate with legal requirements and which also provides for the progressive elimination of illicit coca cultivation within a reasonable period of time, the U.S. Government should commit itself to providing the financial and technical assistance that may be required by Bolivia, in the fields of agricultural development, administration, law enforcement and criminal justice to limit coca production to legal requirements and to suppress the illicit traffic of coca, coca paste and cocaine.

4. On the basis of the Bolivian commitment and program to bring the coca problem under control, the U.S. Government should urge other American states, which are seriously victimized by coca production in Bolivia, such as Canada, Mexico, Venezuela, Colombia, Brazil, Argentina and Chile, to assist Bolivia along with the United States to the extent their financial resources will permit. The Western European countries, which have also become victims of this problem, should also be urged to join in this assistance to Bolivia. The narcotic control organs of the United Nations and the World Health Organization can also provide valuable technical assistance support to Bolivia to enable it to bring its coca production and use problem under control in compliance with its obligations to the Single Convention.

Further delay and continued failure to control coca by Bolivia will bring an increasing illicit production and traffic of coca and cocaine in the country. This will, on a worldwide basis, increase the availability of cocaine, lower the price and spread the use of the substance.

On the other hand, by addressing the problem, Bolivia will improve the health of its people, bring stability to the countryside and create an environment of agricultural and industrial development and progress, supported by foreign assistance and international corporate investment.

BRAZIL

Introduction

On Tuesday, August 13, and Wednesday, August 14, 1985, the delegation visited Brasilia. After briefings by Diego C. Asencio, United States Ambassador to Brazil, DEA officials and other members of the Embassy team, the delegation held extensive discussions with Brazilian officials.

During its visit, the delegation met with Acting President of the Federative Republic of Brazil, Ulysses Guimaraes, who is also the President of the Chamber of Deputies. The delegation also met with Paulo Tarso Flecha de Lima, the Acting Minister of Foreign Affairs; Humberto Souto, Acting President of the Chamber of Deputies, and several other deputies representing various regions of Brazil; and Senators Marcondes Gadelha, Vice President of the Senate, and Jorge Kaluma. Finally, the Committee received a comprehensive briefing on Brazilian narcotics control efforts from the Minister of Justice, Fernando Soares Lyra; Colonel Luiz de Alencar Araripe, Director-General of the Brazilian Federal Police (DPF), who was accompanied by the head of the DPF narcotics unit; and Dr. Tecio Lins e Silva, President of the Brazilian Federal Narcotics Council.

In the past few years, the role of Brazil in the production, processing and trafficking of illicit narcotics, especially cocaine, has begun to grow. While coca production and processing in Brazil are relatively minor compared to the levels of such activities in Peru, Bolivia and Colombia, this emerging trend represents a serious development. Brazil has become increasingly attractive to traffickers because of law enforcement pressures against illicit coca operations in countries bordering Brazil. If the illicit cultivation of coca in the Amazon is allowed to continue unchecked, the potential for Brazil to become a major supplier of illicit coca products to international markets is great indeed.

Official Meetings

MEETING WITH BRAZILIAN LEGISLATORS

The delegation met first with Brazilian congressional leaders. They met initially with Senator Marcondes Gadelha, Vice President of the Senate, standing in for the President of the Senate who was with President Sarney on a State visit to Uruguay. Senator Jorge Kaluma was also present.

Senator Gadelha welcomed the delegation. He told the Members that with the return of democracy to Brazil after 20 years, the Congress was just beginning to assume its responsibilities as a coequal branch of the Brazilian Government. He said Brazilian legislators recognize narcotics as an important issue and now had more authority to act in this area. The Congress welcomed the Committee's visit, he said, and wished to collaborate extensively with the United States on narcotics problems.

Chairman Rangel wished the Senators well as they begin to define the role of the Congress under the new Brazilian democracy. He said the Committee had come to Brazil for a number of reasons:

to continue and strengthen the bonds of friendship between the two countries; to share the Committee's experiences from its visits with other South American leaders; and to see how the United States can help Brazil in its efforts to fight narcotics.

Mr. Rangel commended the Congress for recognizing the danger of narcotics. He told the Senators it had been very sad for the Committee to see and hear from other South American officials what the spread of narcotics was doing to other democracies on the continent. He noted the narcotics-related dangers facing these countries including corruption, terrorism and impairment of public health, especially among young people. He also conveyed the concern expressed to the Committee by officials in these other nations that as they increased their law enforcement efforts against cocaine traffickers the production and traffic of cocaine would move to Brazil with its vast, remote areas for illicit cultivation and other clandestine activities.

Mr. Rangel urged Brazil, as one of the strongest countries in the region, to become a leader and spokesman in Latin America against the narcotics trade. He noted that, at an informal luncheon earlier with Members of the Chamber of Deputies, the Committee learned the Chamber was studying a proposal to form a committee like the Select Committee. He said if a similar committee were formed in the Senate it could serve as a vehicle for sharing information and discussing the resources Brazil needs not only for drug eradication but also for prevention efforts.

Senator Gadelha said he thought a committee like the Select Committee was a good idea. He said the Senate would study the idea carefully.

The Committee next met with Humberto Souto, Acting President of the Chamber of Deputies, and other leading Deputies. The meeting covered a number of diverse topics but the major themes that emerged were very similar to those discussed with the Senate leaders.

The Committee Members emphasized that their purpose in coming to Brazil was to see how the United States could assist Brazil in addressing the narcotics threat. They said they had found a firm commitment to enhance drug control efforts in each of the other countries they had visited on the trip, but noted that some countries lacked the ability to effectively fight the narcotics trade. They recalled the tragic moral, political, economic and health consequences of drug trafficking and abuse in neighboring countries and said they hoped the United States could help Brazil avoid these problems which were affecting the United States as well. Chairman Rangel said, "Since Brazil has been a leader in South America, we hope [narcotics control] is an area we can establish a full partnership on because the successes of other countries in the eradication will put pressure on traffickers to move to Brazil."

Deputy Souto said drug traffic is of great concern to Brazilian authorities. He said Brazil recognized the seriousness of drug trafficking in South America and the threat it poses to Brazil. Fortunately, he said, Brazil's institutions are not tainted by drug trafficking, but Brazil is fully aware of these problems in South America. Deputy Souto said cooperation between Brazil and the United States on narcotics problems would be very beneficial, and he wel-

comed the idea of a special narcotics committee in the Chamber of Deputies.

Meeting With the Acting Minister of Foreign Affairs

Following the discussions with Brazilian legislators, the delegation met with Ambassador Paulo Tarso Flecha de Lima, the Acting Minister of Foreign Affairs.

Chairman Rangel explained the purpose of the Committee's visit, recounted briefly the Committee's observations from its recent stays in Colombia, Ecuador, Peru and Bolivia, and acknowledged the evident concern of the Brazilian Congress about narcotics problems. He emphasized the Committee's desire to work with Brazil "in any way we can" to eliminate the narcotics threat.

The Acting Minister first expressed his appreciation that the U.S. Congress had dropped from the recently enacted foreign aid authorization bill (P.L. 99-83) a provision requiring the Secretary of State to enter into negotiations with Brazil for a bilateral narcotics control agreement, with a goal of reducing Brazilian coca production by 10 percent in 1986. He said the Government of Brazil felt this provision unfairly lumped Brazil with other Latin American countries singled out in the bill for possible sanctions due to inadequate narcotics control efforts.

The Acting Minister told the delegation that Brazil is "fully conscious of our responsibilities" to control illicit narcotics and "will not compromise our efforts" in this area. He said Brazil "has a permanent disposition" to eradicate narcotics cultivation and traffic. He pledged Brazil's support for joint efforts saying, "We will do our best, and we will work together in mutual cooperation to solve the problem." As evidence of Brazil's commitment, he pointed to the renewal of Brazil's bilateral narcotics agreement with the United States and other bilateral and multilateral agreements Brazil has concluded with her Latin American neighbors.

The Acting Minister then raised two issues of concern to the Brazilian Government. First, alluding to the Carter Administration's policy on human rights, he cautioned against the United States using the issue of narcotics control as an instrument of political pressure to force the cooperation of the Brazilian Government.

In reply, Chairman Rangel said he was sensitive to what the Acting Minister was saying. He pointed out that when Congress recognized the unintended implications of the provision in the foreign aid bill that offended Brazil, Congress dropped the provision. Continuing, however, he explained that political support for U.S. foreign aid programs depends on results, and when Members of Congress tell constituents that foreign aid will help the recipients control illicit narcotics production, Members need to be able to report progress by these foreign governments.

Second, the Acting Minister said the narcotics problem is more a question of demand than supply and said the United States focuses too much concern on drug supply. He said the United States needs to control U.S. demand to reduce the market for drugs produced abroad.

Chairman Rangel responded by outlining some of the many steps the United States is taking in the areas of treatment and preven-

tion to control demand. He noted that other drug producing countries who used to say the problem was caused by U.S. demand now find substantial abuse problems among their own citizens. The Chairman emphasized that drug demand and supply are inseparable. He said the United States "accepts the challenge to reduce our demand, and we hope to share with you our successes so you never have to face the demand in Brazil that we have in the United States."

Elaborating on the Chairman's reply, Mr. Gilman told the Acting Minister that, "In country after producing country, the drug supply soon swallows up their own citizens." Echoing the President of Ecuador, he urged Brazil to begin fighting the narcotics threat before it is too late.

Both Mr. Gilman and Mr. Rangel recalled the concerns of Brazil's neighbors that their increased law enforcement pressures on traffickers would cause a shift in coca production and processing to Brazil. They also said that neighboring countries would be looking to Brazil for leadership.

The Acting Minister replied that the Government of Brazil fully shares the delegation's concerns, and he reiterated Brazil's commitment to "a maximum effort in this area." He also suggested that the United States cooperate with Brazil on joint prevention programs as well as enforcement efforts.

Meeting With the Acting President

The delegation called next on Ulysses Guimaraes, President of the Chamber of Deputies and Acting President of the Republic in President Sarney's absence.

The commitment of Brazil's Government to narcotics control was evident in Mr. Guimaraes' remarks. He told the Committee that narcotics control was a world problem. He emphasized that the problem of drugs was of great concern to Brazilian society and government and said the impact of drug abuse on Brazilian youth was particularly worrisome. He advocated a comprehensive attack on the drug problem, including efforts to control both illicit drug supplies and the demand for drugs. He pledged Brazil's support for international narcotics control efforts, saying Brazil's cooperation "will be total, absolute." "You may be assured," he told the delegation, "that you have a deeply interested government in Brazil in both the international and domestic fight against drugs."

Meeting at the Ministry of Justice

On the morning of August 14, the delegation met with the Minister of Justice, Fernando Soares Lyra. The Minister was joined by Colonel Luiz de Alencar Araripe, Director-General of the Brazilian Federal Police (DPF) and Dr. Paul Gustavo de Magalhaes Pinto, Chief of the DPF narcotics unit, as well as Dr. Tecio Lins e Silva, President of the Brazilian Federal Narcotics Council. These officials briefed the delegation extensively on Brazilian narcotics control efforts.

Minister Lyra welcomed the delegation and the opportunity to exchange information. He said the Government of Brazil was doing everything possible to see to it that suppression of drug trafficking

in Brazil is a top priority. For example, he said the government would be spending $120 million to reequip the Federal Police which has the responsibility to defend Brazilian citizens against drugs and other contraband. He also noted that the government would soon be sending to Congress a bill to amend the Brazilian aliens law to make it tougher on traffickers.

Colonel Araripe gave the first of three more detailed presentations on Brazilian anti-narcotics efforts. He told the Committee that Brazil was involved in a battle against narcotics and said there was a great necessity for cooperation between the United States and Brazil as well as other countries. He mentioned his recent official visit to the United States to review U.S. anti-drug measures. He expressed his appreciation for the warm welcome he had received and complimented the United States for the concentrated efforts underway at the Federal, State and local levels in enforcement and drug prevention.

Colonel Araripe said the drug problem in Brazil had worsened since 1981. He reported that consumption, seizures, illicit cultivation and trafficking all had increased, and he reviewed the climb in marijuana and cocaine seizures in recent years (these figures are reported in the following section on "Findings"). He noted the often used estimate that U.S. drug seizures represent only 10 percent of the drugs smuggled into the United States and said Brazil, with its vast area and limited resources, could not even come close to this seizure rate. He said there was no specific allocation of resources to narcotics control in Brazil and no separate drug enforcement agency like DEA. Rather, he said, the DPF handles narcotics enforcement through its narcotics division. Finally, he praised the cooperation Brazil receives on narcotics enforcement from the State Department (INM) and DEA. He specifically singled out as "an extremely helpful contribution to us" a recent DEA training course on drug enforcement issues for Brazilian judges, prosecutors and other law enforcement personnel.

Dr. Magalhaes then described a number of programs the DPF narcotics unit has undertaken to counter narcotics traffic in Brazil, some of which he said were still in the "embryonic" stages. These efforts include the following measures.

1. *Increased inderdiction at airports and seaports.*—This program, still in its beginning phases, calls for stationing trained police officers at principal Brazilian ports, especially airports, where drugs are most frequently trafficked. It also includes plans for using detector dog teams to make the smuggling of drugs out of Brazil more difficult. Dr. Magalhaes acknowledged that this program was not a high priority because of the relatively small amounts of cocaine that are believed to be secreted out of Brazil by "mules" through Brazilian ports.

2. *Precursor chemical program.*—This program, also in its initial stages, is designed to combat the diversion of precursor chemical (i.e., ether and acetone) from licit commerce to the illicit processing of cocaine. The DPF narcotics division has established a six-person unit to monitor distribution of imported and domestically produced precursor chemicals. Dr. Magalhaes said that as a result of the good cooperation received from the principal manufacturer of these chemicals in Brazil, significant control had been achieved over

legal distribution. He noted that Peru and Colombia are implementing similar controls on precursor imports, but he said establishing effective controls on these substances requires all countries that produce them to take adequate measures to control their distribution.

3. *Organized crime program.*—Dr. Magalhaes said that until recently the DPF did not have the resources (human or material) or the knowledge of organized crime to make cases against major drug kingpins and other top organized crime figures. Since 1981, some analysts have been trained in organized crime investigative techniques. Dr. Magalhaes said the DPF has had some success with this program, citing Operating Eccentric, a major interdiction operation in February 1985 in which one cocaine laboratory was seized and destroyed, and the arrest of some high-level traffickers.

4. *Coca eradication.*—Within the past year, the DPF has undertaken three major coca eradication campaigns in the upper Amazon basin. Two of these operations, Frederick I and Frederick II, were carried out in 1984. The third, Frederick III, began on August 1, 1985, and was in progress during the Committee's visit to Brasilia. Frederick I and II resulted in the eradication of over 8,300,000 coca plants, and as of August 12, approximately 535,000 plants had been destroyed in Frederick III. Dr. Magalhaes said the Brazilian Armed Forces were providing excellent support to the Frederick III campaign, including two fully equipped river patrol boats from the Navy and air transport from the Air Force.

Dr. Magalhaes said these eradication campaigns encounter numerous difficulties including the plants themselves which reach a height of 3–4 meters in the Amazon and are extremely difficult and time-consuming to uproot. The inaccessibility of the plantations in the jungle and tropical diseases for which there are no known cures are other factors that inhibit these operations.

Finally, he said, one of the greatest problems is that the traffickers simply come back and replant after the DPF leaves an area. To combat this, he said the DPF could use a permanent patrol boat in the Amazon—in effect a floating police station—to inspect growing sites periodically to prevent replanting. The DPF has on several occasions requested INM funds for such a vessel. The concept is being studied.

Dr. Tecio Lins e Silva concluded the briefing. He discussed the recent reorganization within the federal government to establish a strong mechanism to implement federal drug policy. He also discussed the Brazilian Government's comprehensive plan for narcotics control.

Dr. Lins e Silva is President of the Federal Narcotics Council, the body responsible for establishing national policy in Brazil on drug abuse prevention and control. The Council is an inter-agency group composed of representatives from the Ministry of Justice, the Ministry of Foreign Affairs, the Ministry of Finance, the DPF narcotics division and other federal agencies responsible for health issues, education, social security and medical assistance.

Until a short time ago, the Council was an advisory panel only. Recently, however, the Council was restructured as an executive agency with broad authority to implement national narcotics policy. Responsibility for policy formulation resides in four commit-

tees established within the Council covering the broad areas of prevention, investigations, enforcement and legislation. Each committee has a professional staff to assist with policy research, coordination, and implementation.

The Council will establish and direct the implementation of policies and programs relating to all aspects of drug abuse prevention including international narcotics control; drug enforcement, interdiction and eradication; development of income substitution programs for growers who now depend on illicit narcotics crops for their livelihood; treatment; education and prevention; research; and community action aimed at raising national awareness of the danger of drugs in Brazil. The Council is also encouraging the establishment of state and municipal councils. These councils will formulate drug policy at the state and local levels using federal policies as guidelines. They also will work with the Federal Narcotics Council, enhancing cooperation on drug issues at all levels of government in Brazil. Dr. Lins e Silva reported that approximately half of the States had formed councils, and he expected councils to be operating in all States by the end of the year.

Finally, the Council is establishing a commission of Brazilian business and civic leaders—the Combate—which will work with the Council and the media in Brazil to promote national awareness of drug problems.

In his presentation, Dr. Lins e Silva expressed his appreciation for the assistance and ideas he had received from U.S. officials. He emphasized that Brazil could learn a great deal more from U.S. drug prevention efforts. He expressed Brazil's desire to expand cooperation with the United States and said Brazil looked to the United States for support and technical assistance in all phases of its drug control efforts. He said he hoped the United States would be sensitive to Brazil's needs in the area of prevention as well as enforcement, and he specifically included in prevention the need to help poor farmers find alternatives to illicit narcotics cultivation for supporting themselves and their families.

The members of the delegation praised the Brazilian authorities for initiating such an ambitious anti-narcotics program. Chairman Rangel said he could not recall ever hearing a more comprehensive program for drug control. He also said the Committee's two days of meetings with Brazilian authorities demonstrated that Brazil's leaders are aware of the dangers of illicit coca production.

The Members repeated the warnings they had heard in Colombia, Ecuador, Peru and Bolivia that Brazil could become the next target for coca production and traffic as Brazil's neighbors begin to exert stronger efforts against the illicit coca traffickers within their borders. Reflecting on the situation the delegation had found in Colombia, Peru and Bolivia where coca production is out of control, and in Ecuador where the expanding illicit cultivation overwhelms the government's limited drug enforcement resources, Chairman Rangel urged Brazil to provide regional leadership in an initiative to reduce coca production in Latin America. He said Brazil was ideally suited to take this role because Brazil has both the commitment and the strength to meet the economic challenges and the threat of narcotics trafficking confronting all democracies

in South America. Mr. Gilman and other Members of the delegation reinforced the Chairman's comments.

FINDINGS

The key findings from the Committee's visit to Brazil are highlighted below.

Cocaine

1. As noted above, the cultivation of coca (epadu) in the Amazon is increasing. While it is not thought that Brazilian production of epadu comes anywhere close to coca production in other major growing countries (Bolivia, Peru and to a lesser extent Colombia), the extent of coca production in Brazil is unknown at this time.

2. Cocaine seizures in Brazil increased from 92 kilograms in 1980 to 551 kilowatts in 1984. Through the first six months of 1985, 350 kilograms of cocaine were seized.

3. Brazil has organized and conducted three major coca eradication campaigns in the Amazon basin in the past year. In 1984, as the result of two coca eradication operations which lasted over 40 days (Frederick I and Frederick II), the DPF destroyed 237 coca plantations and over 8,300,000 coca plants. Operation Frederick III, begun on August 1, 1985, had resulted in the eradication of 31 plantations and over 535,000 coca plants by August 12, 1985. Two cocaine processing labs were also seized.

4. The extent of coca processing in Brazil is also not known. Until recently, it was thought that Brazilian coca leaves were processed into paste near the cultivation sites and then shipped to neighboring countries for conversion into finished cocaine hydrochloride. Recent law enforcement operations in Amazon, however, have resulted in the seizure of thee hydrochloride labs in Brazil, including the two mentioned above.

5. Brazil produces 85 percent of the acetone and ether needed to process Bolivia's and Colombia's illicit coca production into cocaine. In recent years, Brazil has implemented strict controls on sales of precursor chemicals and established a special six-man unit in the DPF narcotics division to monitor transactions in these precursors. The controls adopted have been somewhat effective in limiting diversion of precursor chemicals from Brazil, but such chemicals of Brazilian origin have been found recently at illicit cocaine processing laboratories seized in Peru, Colombia and Bolivia. In 1983, 800 drums each of ether and acetone were seized in Brazil. Brazilian officials recognize the need to increase their efforts to track movement of precursor chemicals as a means to seize illicit cocaine laboratories. They feel, however, that their efforts will not be successful until all countries that produce these chemicals, including the United States, establish effective controls over distribution.

6. Brazil's importance as a transit country for cocaine is increasing. There are abundant deep water, overland, and clandestine and commercial air routes. The borders between Brazil and adjoining countries are remote, making smuggling relatively easy. Enforcement at air and seaports is not a high priority although Brazilian officials said they are budgeting for a program to increase enforcement, especially at principal airports used by traffickers.

7. Brazil is viewed by her neighbors as the next target for cocaine traffickers due to enforcement pressure these countries are applying along their borders with Brazil. The delegation voiced these concerns to Brazilian authorities in our meetings with them.

Marijuana

1. Cultivation of illicit marijuana in Brazil is quite extensive, especially in the northeast area of the country, and it is believed to be increasing. Marijuana seizures increased from 88.5 tons in 1980 to approximately 2,650 tons in 1984. As is the case with coca, though, there are no reliable estimates of the extent of marijuana cultivation in Brazil.

2. Brazilian marijuana is not thought to play a role in the international marijuana traffic. Most is consumed internally. No large seizures have been made of Brazilian marijuana destined for the United States.

Abuse

1. Although reliable estimates are not available, most Brazilian officials do not believe Brazil has a major drug abuse problem. Abuse appears relatively small compared to the United States and Europe.

2. Marijuana is the most commonly abused substance in Brazil. There is a perception of increased use of cocaine by Brazilian youth, especially in major urban centers.

U.S. narcotics assistance to Brazil

1. For 1985, $250,000 in narcotics assistance has been programmed for Brazil. The amount requested for 1986 is $750,000.

Brazilian attitudes and efforts

1. Although drug trafficking and abuse are viewed as relatively minor problems in Brazil, officials at all levels of the government are concerned about the signs of increased cocaine activities in their country. They clearly recognize the dangers that illicit narcotics trafficking presents to Brazil's new democratic government and the country's fragile economy, including corruption, support for insurgent groups, and the potential impact of narco-dollars on the Brazilian economy.

2. Brazilian authorities are fully aware of their responsibilities to suppress illicit narcotics traffic within their borders and stated firmly that they would not compromise their effects in this area. They are sensitive to the concern that illicit cocaine activities will increase in Brazil as efforts to suppress the traffic in neighboring countries increase. They are prepared to work together with the United States and Latin American countries to eliminate illicit cultivation and trafficking.

3. While there is some feeling that U.S. demand for cocaine is the major cause of the coca traffic in Latin America, most Brazilian officials recognize that the problems of drug demand and drug availability are inseparable. Several officials complimented the United States for the immense efforts our country has made in the area of drug abuse prevention and control. Brazilian authorities are eager to receive U.S. support for drug abuse prevention, as well

as enforcement, activities and view such support as essential to Brazil's successes in this area.

4. Brazilian drug enforcement efforts are hampered by the lack of resources, including equipment and trained personnel. The narcotics division within the Department of Federal Police (DPF) has the major responsibilty for narcotics control, but its budget is not separate and it must compete for funds with all other DPF priorities. During the delegation's visit with the Minister of Justice, he announced that $120 million will be spent to reequip the Federal Police. This infusion of resources should enhance the DPF's narcotics enforcement capabilities.

5. The Government of Brazil has developed a comprehensive plan to attack drug trafficking and abuse. To implement the plan, the Government of Brazil has restructured the Federal Drug Council and given it executive authority. The Council consists of representatives from the various ministries with drug control responsibilities. The Council will establish federal drug abuse policies in the areas of prevention, investigations, enforcement and legislation and coordinate their implementation. The Council is also responsible for promoting international cooperation on narcotics issues, coordinating federal policies and programs for poor farmers who are now dependent on illicit drug crops for their livelihood, and conducting drug abuse research.

6. Both Houses of the Brazilian legislature have expressed a strong interest in establishing special committees, similar to the Select Committee on Narcotics Abuse and Control, to assure effective oversight of Brazilian narcotics programs and policies.

7. The Select Committee is impressed with the commitment of the Brazilian Government to meet its responsibilities, both domestically and internationally, to control the traffic and abuse of illicit drugs. The Committee appreciates the desire of the Brazilian Government to receive assistance from the United States on all aspects of narcotics abuse and control and assures Brazil of our continued support.

Recommendations

1. The Committee commends Brazil for developing a comprehensive drug control plan and establishing a structure to implement that plan. The Committee recommends that a joint working group of appropriate Brazilian officials and their U.S. counterparts be established to determine the technical assistance, training, equipment and other support Brazil needs to carry out its plan and how the United States can best support Brazil's efforts in the areas of enforcement, training, prevention, eradication and crop and income substitution.

2. Recognizing the economic problems facing Brazil, but recognizing also the serious threat that narcotics pose to Brazil, the Committee also urges the Government of Brazil to increase the resources it dedicates to drug abuse control efforts.

3. The Committee believes that Brazil, because of its strength and because it is not yet seriously affected by the illicit narcotics trade, could play a leading role in developing a regional approach to narcotics problems in Latin America, especially with respect to

reduction of illicit coca production. The Committee urges Brazil to take such a leadership role and recommends that the United States fully support Brazil in this effort.

4. The Committee recommends that the Department of State and the Government of Brazil work together to obtain a more accurate picture of the extent of illicit coca and marijuana cultivation in Brazil. The United States should provide technical support for this effort through satellite and/or aerial photography, and Brazil should commit additional personnel to survey production in areas of cultivation.

ARGENTINA

Late Wednesday afternoon on August 14th, 1985, the delegation arrived in Buenos Aires, Agentina and received briefings from our embassy team headed by John A. Bushnell, Deputy Chief of Mission.

On August 15th, the delegation met separately with the President of Argentina, Raul R. Alfonsin; Ambassador Raul F. M. Alconada Sempe, Undersecretary for Latin American Affairs of the Ministry of Foreign Affairs; and Representative Juan Carlos Pugliese, Chairman of the Lower House of Representatives. An extensive discussion was held with Dr. Antonio A. Troccoli, Minister of the Interior, accompanied by Federal Police Director, General Antonio Divietri; Customs Administrator, Dr. Juan Carlos Delconte; and Border Police Director, General Arturo Lopetegui. Several advisors to Dr. Victor Martinez, Vice President of Argentina and President of the Senate, also provided a comprehensive assessment of the drug situation in Argentina.

Findings and Recommendations

1. Although Argentina has not become a major producer or consumer of narcotics, it has become a transit route for the processing, trafficking and laundering of drug assets from neighboring Bolivia and Brazil. DEA estimates that during 1984, six metric tons of cocaine transited through Argentina and that during the first ten months of last year, Argentine authorities seized at least 150 kilos of cocaine.

2. Our drug intelligence and data gathering capabilities in Argentina and Uruguay are spotty. We do not know the magnitude of the drug trafficking, the number and location of the cocaine processing laboratories and the extent of the money laundering that is taking place in those nations. There are reports that the drug traffickers are purchasing expensive homes and laundering drug assets in Uruguay, which suggest that both Argentina and Uruguay have the potential for becoming major havens for the traffickers to conduct their clandestine operations. Without jeopardizing our overseas operations in other parts of the world, we should study the possibility of increasing the number of DEA agents stationed in Argentina and/or opening a DEA office in Uruguay.

3. Our Drug Enforcement Administration (DEA) recently increased the size of its office from 2 agents stationed in Argentina to 4 agents to handle the drug situation in South America's second largest country. This office is also responsible for monitoring the

drug trafficking activities in Uruguay and Paraguay and working with their law enforcement agencies.

4. Our embassy does not have a full time State Department Narcotics Assistance Coordinator. Given the growing drug activity in Argentina and that Argentina has been targeted by the traffickers, we should examine stationing a full time Narcotics Assistance Coordinator in our embassy.

5. Although there is little hard statistical data, government leaders told our Congressional delegation that the domestic consumption of illicit drugs is increasing in Argentina, especially among school children.

6. The Alfonsin Administration is aware of the explosion of cocaine production and trafficking in Colombia, Peru, Bolivia and Brazil, together with the potential for Argentina to be infested with the corruptive influence of the drug traffickers.

In an effort to mobilize the nation's resources, President Alfonsin has appointed a National Drug Committee headed by a Presidential Advisor. Mrs. Alfonsin attended the First Lady's Conference held last April in Washington, D.C. and in Atlanta, Georgia. This year Argentina will host the International Drug Enforcement Conference; two high ranking members of the Alfonsin Administration will be visiting the United States to review cooperative law enforcement efforts between our two nations.

7. Members of our Congressional delegation expressed the need for Argentina to develop a drug plan to combat the traffickers before it is too late and before that nation becomes crippled by the corruptive influences of the drug traffickers.

8. Legislation that is being proposed by Argentine legislators include controlling precursor chemicals, forfeiture of drug assets, providing stiff criminal sentences for convicted traffickers and controlling money laundering activities.

9. Between 1971 and 1983, Argentina contributed $86,000 to the U.N. Fund for Drug Abuse Control (UNFDAC); no contributions were made to the Fund for 1984 or pledged for 1985 at the November 1984 UN Pledging Conference for Development Activities. Members of the Congressional delegation encouraged Argentina to exercise its influence and leadership within the Latin American Community to support UNFDAC programs.

10. Argentine government leaders told our delegation that Bolivia needs a special economic assistance program to combat the explosive drug problem in that nation, which is adversely impacting upon the entire South American continent, and to bolster that nation's sagging economy.

The proposed Hawkins Amendment to the Foreign Assistance bill, if enacted, would have cut off all economic and military assistance aid to Bolivia. In the opinion of the Argentine Foreign Ministry, this would isolate that already economically and politically fragile nation. Current legislation conditions United States assistance to Bolivia's enactment of certain drug legislation and to implementing a plan to eliminate the illicit production of narcotics in that nation.

11. As a nation targeted by the drug traffickers for future illicit drug trafficking activities, Argentina should take the lead in help-

ing to create a regional Latin American effort to combat drug trafficking and drug abuse.

URUGUAY

On Friday, August 16, 1985, the Committee visited Montevideo, Uruguay. The Committee was briefed by the U.S. Embassy team and then met with the Foreign Minister of Uruguay, Enrique Iglesias.

At the present time, Uruguay is relatively free of narcotics related problems. There is no known cultivation of coca in Uruguay and only small amounts of marijuana production which do not enter the international illicit trade. Similarly, there are no known cases of cocaine processing laboratories operating in Uruguay.

Drug use in viewed disapprovingly by Uruguayan officials and society, and drug abuse is not a serious problem. There is a growing perception and concern, however, that drug use, while low, may be increasing among Uruguayan youth.

Uruguay also plays only a minor role in the transshipment of drugs. A limited amount of cocaine trafficking occurs through Uruguay from neighboring producing and processing countries. For the most part, this traffic is believed to consist primarily of Bolivian cocaine moving through Argentina and Brazil to Montevideo or directly to Montevideo by air for onward shipment to European and U.S. markets.

The U.S. Embassy in Montevideo reports some signs of small arms traffic from Brazil to Argentina through northern Uruguay. The possibility of narcotics becoming a part of this traffic is a concern, and the situation is being watched closely.

In addition, Embassy staff noted that shifts in drug trafficking routes had occurred within the past year due to enforcement pressures in producing and processing countries. They expressed concern that Uruguay could become a target for increased trafficking activity.

Uruguay's economy does not appear to be affected by illegal narcotics activity at this time. However, there is some concern that traffickers may be using Uruguayan banks to launder illicit narcotics proceeds. Some banks have reported recent large deposits of cash, up to a half million dollars. Although the United States has no treaty with Uruguay on financial investigations and Uruguayan bank secrecy laws are strict, there are legal procedures to gain access to suspicious accounts. Embassy personnel said the Government of Uruguay was willing to cooperate with the United States in this area.

The Bureau of International Narcotics Matters in the Department of State has provided no narcotics assistance to Uruguay. The Drug Enforcement Administration closed its office in Montevideo in 1978 because of the low level of narcotics trafficking, and has provided little assistance to Uruguay since then.

The DEA office in Buenos Aires, Argentina, maintains liaison with Uruguay. Recently, in response to requests from Uruguayan Customs officials, DEA has obtained support from Argentina Customs in training a detector dog team to work at Carrasco International Airport in Montevideo. Argentine Customs also has agreed

to train Uruguayan Customs officers in narcotics detection and interdiction.

In addition, an agent from the DEA office in Argentina recently has been assigned full-time to Uruguay to prepare an assessment of Uruguay's narcotics enforcement needs so that appropriate recommendations for assistance can be formulated. Increased training in narcotics enforcement appears to be a top priority because of the lack of narcotics training by the United States for several years, the dispersal of previously training Uruguayans to units not involved in narcotics control, and the interest of Uruguay in receiving such assistance.

Meeting With the Foreign Minister

In their meeting with Foreign Minister Iglesias, Committee members acknowledged Uruguay's good fortune in having escaped the ravages of drug trafficking and abuse that plague so many of the other South American nations the delegation had visited. However, they urged the Government of Uruguay to recognize the danger that illicit narcotics activity poses to Uruguay. They warned that Uruguay's location between Argentina and Brazil makes it an ideal target for increased trafficking and other narcotics related activities as law enforcement pressure on traffickers intensifies in neighboring countries.

The Foreign Minister assured the delegation that the Government of Uruguay views illicit narcotics activities as "unquestionably one of the major threats to Uruguay" and the region. He noted that Uruguay had just returned to democracy and was attempting to build up its democratic institutions. He also pointed out that Uruguay, like many South American countries, faces serious economic problems. For these reasons, he said the Government of Uruguay was especially sensitive to the threat of narcotics which is interlinked with political terrorism and endangers societies, economies and the very existence of democracy in Latin America.

The Foreign Minister told the Committee that narcotics problems in Uruguay were not serious at this time, but he emphasized that Uruguay was not immune. He expressed concern that drug use was increasing among Uruguayan youth. He also expressed appreciation for the Committee's visit because he said it would help increase the public awareness of the dangers of narcotics in Uruguay.

In reply to Chairman Rangel's question about the need for narcotics related training for Uruguayan Customs personnel, the Foreign Minister said Uruguay would welcome all kinds of technical assistance and other support from the United States to help prevent narcotics trafficking from invading Uruguay.

Mr. Gilman emphasized the need for a strong cooperative effort to deal with narcotics problems and expressed the hope that Minister Iglesias and other leaders would encourage the Andean countries to develop a regional approach to the problem. In response, the Foreign Minister noted a growing perception of the need to do more. He pledged Uruguay's support for mutual efforts to combat narcotics, both bilaterally and multilaterally.

The Committee was extremely encouraged by Uruguay's recognition of the danger it faces from narcotics. The Committee was also impressed with Uruguay's genuine desire for support and by the Government's willingness to work with the United States and Latin American nations to halt the spread of illicit narcotics activities in the region. The Committee pledged to help Uruguay remain free of narcotics problems. The Committee also pledged to support Uruguay's efforts to assist other Latin American nations fight narcotics.

Findings

1. Uruguay is not presently affected by narcotics related problems to any serious degree.
2. As drug law enforcement efforts are applied in neighboring countries where illicit narcotics production, processing and trafficking are rampant, Uruguay could increasingly become a target for illicit narcotics activities.
3. The Government of Uruguay is clearly aware of the serious threat that illegal narcotics activity poses to Uruguay's society, economy and newly established democracy. The Government also recognizes its responsibility to fight the spread of narcotics into Uruguay and to work with its neighbors in the region to reduce the threat of narcotics.
4. The Government of Uruguay is ready and willing to cooperate with the United States on narcotics control efforts and desires U.S. technical assistance and other support to improve its narcotics control capabilities. Because the United States has provided little narcotics training for several years and previously trained Uruguayan personnel have been dispersed to units with no narcotics enforcement role, training appears to be an urgent need.

Recommendations

1. In light of Uruguay's desire to cooperate with the United States on narcotics control matters and the recent requests to DEA for assistance by Uruguayan Customs, the Committee urges that an assessment of Uruguay's drug enforcement needs be completed as soon as possible and that all possible consideration be given to reasonable requests for assistance. Special attention should be given to meeting the need and desire of Uruguayan Customs and other drug enforcement officials for training in narcotics interdiction and investigation.
2. INM and DEA should consider how they can best support Uruguay's desire to take a more active role in formulating a regional approach to narcotics control in South America.
3. The Government of Uruguay, in conjunction with the Government of the United States must remain vigilant to the possibility of increased drug trafficking and other illicit narcotics activity in Uruguay and be prepared to take the steps necessary to halt such activity before it can get out of control. In this regard, DEA should consider carefully whether it should reopen an office in Montevideo.

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